

The NATIONAL UNDERWRITER

Life Insurance Edition

ADVERTISERS' GUIDE

TO SUCCESSFUL MEDIA SELECTION

Advertisers, Agencies and Publishers decide the standards and methods for measuring circulation. A. B. C. reports give verified information and are available to all advertisers.

QUESTIONS

Check the questions that you want answered when you buy business paper advertising.

- | | |
|--|-----------------------------------|
| <input type="checkbox"/> How much paid circulation? | See Paragraph No. 8 |
| <input type="checkbox"/> How much unpaid circulation? | See Paragraph No. 8 |
| <input type="checkbox"/> What is the business or occupational analysis of subscribers? | See Paragraph No. 10 |
| <input type="checkbox"/> Where does the circulation go? | See Paragraph No. 11 |
| <input type="checkbox"/> What do readers pay for the publication? | See Paragraph No. 12 |
| <input type="checkbox"/> How is the circulation obtained? | See Paragraphs Nos. 15, 16 and 17 |
| <input type="checkbox"/> What is the duration of subscriptions? | See Paragraph No. 19 |
| <input type="checkbox"/> How many subscribers in arrears? | See Paragraph No. 21 |
| <input type="checkbox"/> What is the renewal percentage? | See Paragraph No. 22 |
| <input type="checkbox"/> How many subscriptions and sales in bulk? | See Paragraph No. 26 |

ANSWERS

For the answers, refer to the following paragraphs in A.B.C. reports.

SEND THE RIGHT MESSAGE TO THE RIGHT PEOPLE

Paid subscriptions and renewals, as defined by A.B.C. standards, indicate a reader audience that has responded to a publication's editorial appeal. With the interests of readers thus identified, it becomes possible to reach specialized groups effectively with specialized advertising appeals.

THERE is no guesswork or speculation about media selection and space buying when advertisers make their decisions with the help of the reports issued by the Audit Bureau of Circulations. The facts and figures reported are verified by experienced auditors who make an annual audit of the circulation records of all A.B.C. publisher members. Guided by this information, advertisers can evaluate media intelligently, apply media to markets accurately and invest advertising money with the assurance that they will get what they pay for. Always ask for A.B.C. reports when you buy business paper advertising.

The NATIONAL UNDERWRITER

Member of the Audit Bureau of Circulations



Ask for a copy of our latest A. B. C. report

A. B. C. = AUDIT BUREAU OF CIRCULATIONS = FACTS AS A MEASURE OF CIRCULATION VALUES

FRIDAY, AUGUST 21, 1942

U.C. GIVES AGENTS KEY TO GREAT NEW MARKET!



"PURE PROTECTION" — unique, non-convertible term policy — proves ideal "key-man" business insurance during war years!



Just the kind of protection today's businesses need

"Pure Protection" is a natural for business firms whose operations depend upon one or more "key" men. And there are more of these today than ever . . . organizations owning government contracts, where the death of an important leader might easily cause a production bottleneck that would bring on losses of hundreds of thousands of dollars.



Great selling story

Union Central agents are finding that "Pure Protection" hits the interest of many executives who have previously been cold to any type of business insurance. The combination of an unprecedented need for large amounts of protection, and the specific unique features of this policy, make it easy for them to sell.



Amazingly low-cost

"Pure Protection" carries a lower premium than any insurance policy U.C. has ever offered in 75 years of business. That fact alone is a great "door opener."



Advertising-merchandising support

Behind "Pure Protection" and the sales forces' personal selling is a wide schedule of national advertising, direct mail and agents' sales aids . . . a program that is designed to interest every man in America in this new type of policy, not only for business protection, but to help him solve his 1943 wartime life insurance problems.

**"IT'S GREAT TO WORK FOR A
COMPANY THAT GIVES ITS
AGENTS REAL SALES HELP,
IDEAS AND TIMELY POLICIES!"**



UNION CENTRAL LIFE INSURANCE COMPANY

Cincinnati



FACING THE FACTS

Because of the war-time economy, we are facing unparalleled conditions, not only in our national life but in our individual lives. This is true of all Americans, including life insurance men.

There are three words that describe our efforts to adjust ourselves to these conditions: *evade*, *avoid* and *meet*.

It is a temptation sometimes to try to *evade* the conditions of this war-time economy. But it can't be done.

Others of us have progressed beyond that point and are trying to *avoid* the effects of today's conditions on our business. But we can't do that either.

What we must do is *meet* conditions head-on, as we find them. We must learn to understand conditions—to accept them—and to continue to sell life insurance in spite of or even because of them.

Rationing, for instance, isn't new. We must point out to our prospects that it is they who have always determined the size of their families' "rations," and that in all probability they always will. If they do not live through this era of increased prices, they themselves will be the ones who will have dictated the provision made for their widows and children.

In other words, our prospects must face the facts. And we must face the fact that it is still our duty to show them how.

STABILITY—SAFETY—SECURITY

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY OF PHILADELPHIA
Pennsylvania • Founded 1865

The NATIONAL UNDERWRITER

Forty-sixth Year—No. 34

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, AUGUST 21, 1942

\$3.50 Year, 20 Cents a Copy

Rules on Evidence of Age Are Revised

Sun Life of Canada Requirements Set Forth in New Manual Section

Sun Life of Canada has revised and elaborated its rules relating to evidence of age in line with the increasing care of life companies in this regard, especially in connection with annuities and income settlement options.

In Canada the life companies for a long time have been very careful about substantiating the stated ages of applicants and beneficiaries. It is found there is a definite benefit to the insured and his beneficiary in securing documentary proof of the ages, as then a policy can be issued and is by Sun Life—which provides a positive guarantee as to income payments to be made. The Canadian practice has been not to complicate selling by too many demands on the applicant, but to have agents follow up later and get proof of age. The practice in this country is to rely largely on a policy provision that if the age as stated is incorrect the benefits shall be adjusted to the amount they should have been at the correct age. This also is found in the Canadian policies.

Beneficial to Insured

Life companies in both countries have become far more exacting about age in connection with all contracts, and especially those involving continuing income payments. It was found that 30 years or more ago there were few states keeping adequate records of births and many persons had to rely on the statements of parents or other relatives as to their actual birth dates. Thus innocently they might make untruthful statements in securing life insurance. However, there have been many instances of deliberate attempts to benefit at the expense of life companies by understating the age, in some instances at the suggestion of agents.

New Provisions Explained

Sun Life has prepared a new section of the agents' manual which is being distributed to United States branches. A. A. Tousaw, assistant actuary, announced. For single premium and annual premium life policies and annual premium deferred annuity policies the age is taken as that at the nearest birthday; for single premium deferred annuities where the deferred period is more than one year the age is that of the last birthday, and for single premium immediate annuities and single premium deferred annuities where the deferred period is one year or less the age is that expressed in years and completed months.

Three classes of requirements as to evidence of age have been set up, known as A, B and C. A includes birth certifi-

(CONTINUED ON LAST PAGE)

Rowland Favors Pay-as-You-Go Plan

Sees in It Much Value for Life Insurance People

Frank L. Rowland of New York City, executive secretary of the Life Office Management Association, has been studying what is called the "pay as you go income tax plan," advocated by Beardsley Ruml. Mr. Rowland states that if the insurance people are interested, as he hopes they will be, immediate action should be taken, as the finance committee of the United States senate will soon be ready to consider the general bill.

He thinks it will be a distinct benefit to insurance for the following reasons:

Gives Detailed Reason for View

"1. Our Agency Force. Undoubtedly there is and will be a growing sales resistance occasioned by the increasing tax debt to which we are all subject under the present plan of paying current year's income tax in the following year. This is particularly acute during periods of rising tax rates. The plan as Mr. Ruml has outlined it would wipe out the debt feature and enable us to know where we stand currently; hence permitting the public to intelligently budget their insurance needs. Furthermore, after the war is over and incomes of many millions drop, our people will find themselves in the embarrassing position of having to meet taxes on high earnings at a time when their income has been materially reduced or they are out of work. This will inevitably result in increased lapsation and policy loans. Mr. Ruml's plan would definitely alleviate the situation.

Pension Administration

"2. Life Company Pension Administration. The plan would definitely obviate a most embarrassing situation whereby a pensioner is called upon to pay out of his current pension taxes on full-time earnings of the previous years and very probably would find the tax in excess of the pension. When confronted with this situation, the tendency is to defer placing an individual on a pension.

"3. Beneficiaries. The plan as suggested by Mr. Ruml would obviate the necessity of beneficiaries paying, probably from insurance, the tax on the previous year's earnings of the deceased or insured. The 'Pay As You Go' plan would more properly permit insurance to serve the intended purpose for the needs of the beneficiary.

"4. Public at Large. From the social viewpoint, it is quite obvious that any plan which would permit the current budgeting of expenses (taxes) has a very desirable social implication."

Mr. Ruml is treasurer of R. H. Macy & Co. of New York City, the large department store. He is chairman of Federal Reserve Bank of New York and adviser of the National Resources Planning Board. He submitted the plan to the finance committee of the United States Senate July 27.

Sales Off 6% in July; Up for Year

Ordinary and Industrial Decline While Group Gains Substantially

NEW YORK—New paid for life insurance for July showed a decrease of 6 percent as against July of last year, according to the Association of Life Insurance Presidents. For the first seven months the amount was 6.7 percent greater than for the corresponding period of 1941.

For July new business was \$620,728,000 against \$660,125,000 during July of last year. New ordinary insurance amounted to \$356,467,000 against \$448,433,000, a decrease of 20.5 percent. Industrial insurance was \$112,917,000 against \$128,783,000, a decrease of 12.3 percent. Group insurance was \$151,344,000 against \$174,909,000, an increase of 82.5 percent.

For the first seven months of this year, new business was \$4,731,791,000 against \$4,433,921,000 for the corresponding period of 1941. New ordinary amounted to \$3,099,430,000 against \$3,095,008,000, increase of one-tenth of 1 percent. Industrial totaled \$910,227,000 against \$974,871,000, decrease of 6.6 percent. Group was \$722,134,000 against \$364,042,000, increase of 98.4 percent.

RESEARCH BUREAU REPORT

The Sales Research Bureau reports total ordinary sales in July of \$459,499,000, which is 21 percent less than in the same period a year ago. For the year to date total ordinary volume is \$4,031,746,000, which is the same amount as a year ago in the same period. Compared with the five year average, 1937-41, July was 14 percent less than a year ago, and the year to date is 1 percent greater.

None of the territories showed an increase for July, but for the year to date New England is even with last year, the west north central area is up 4 per cent, east south central up 1 percent, and the Pacific Coast, 9 percent. For cities, Detroit had a 3 percent increase for the month. For the year Boston, Los Angeles, New York, and St. Louis showed gains.

War Time Selling Editions Are Issued

Owing to the fact that three daily issues of The National Underwriter will be mailed to all subscribers this week, the story of the annual convention of the National Association of Life Underwriters at the Edgewater Beach Hotel in Chicago is not included in the regular weekly issue. Daily issues are entitled, "War Time Selling." The convention was in abridged form and hence The National Underwriter emphasized the importance of production in war times by securing outside contributions of a most helpful nature.

Extra copies of the three War-time Sales Dailies cost 50 cents per set.

Special Tax Bond Reported Planned by Treasury

Would be Exempt If Used to Pay Federal Estate Levy

NEW YORK—The Treasury is reported to be considering the question of issuing a special type of bond, bearing little or no interest, which would be exempt from estate tax if purchased specifically to pay the estate tax. Treasury officials are understood to favor this type of bond as against permitting exemption for life insurance earmarked for estate tax payment.

Their attitude is said to be that exemption of insurance up to a fixed amount would result in inequitable treatment, since some taxpayers are uninsurable, while those who could buy would pay premiums that would vary according to their health and age.

National Association Proposal

The position of the National Association of Life Underwriters is that life insurance, bonds, or any other specified form of property should be free of estate tax if earmarked for payment of federal death duties, according to M. M. Goldstein, general agent Connecticut Mutual Life, New York City, and a member of the N.A.L.U. law and legislation committee, who has represented the latter at hearings before the House ways and means committee and the Senate finance committee. He said the special bond issue proposal would be of little use to the average business man who owns his business independently or jointly. During his creative years such men have about 85 percent of their net worth invested in their own business, hence the special bonds would be no solution to the problem of death during the man's younger years before he had time to accumulate a fund. Mr. Goldstein pointed out.

Chairman George Supports Proposal

At the conclusion of the hearings at which National association leaders testified, Senator W. F. George of Georgia, chairman of the Senate finance committee, said personally he felt exemptions should be granted under the proposed tax law for payments made as premiums for insurance with the exemption running both to individuals and corporations, and at the same time, exemptions should be allowed for payments on principal and interest on mortgages, and for the purchase of war bonds.

The Senate committee may take the stand that payments representing capital gains—in other words, payments in the purchase of a home or other tax-paying wealth—should be given exemption.

John A. Witherspoon, Nashville, president National association, presented his views as set forth in recent

(CONTINUED ON PAGE 14)

Coast Traveler Gives Impressions of Insurance, Buses, Trains

By A. R. JAQUA

Being some observations of an insurance man visiting California and the great Pacific northwest.

First you have to decide on method of transportation. If you fly you run the chance of an officer or other employee of the government showing up at some way-point and taking your seat, so let's try the trains. Here we have three choices: We can take the Streamliner, 40 hours from Chicago to Los Angeles, reclining seat coaches with three diners and a lounge car but no Pullman. You'll have to reserve a month in advance usually. Stepping up the cost a little you could go tourist Pullman, which is cheaper than standard. Last, you could go standard, which has regular coaches and Pullmans and carries maximum fare.

In any event, more than half the passengers will be soldiers traveling under orders, or soldiers, sailors or marines on furlough. Of the civilians, about half will be mothers, wives or sweethearts going to or from camp. Lounge cars have been taken off and the chances are every upper and lower sold. Where do you sit while the porter is making up your berth or tearing it down in the morning? That's your worry.

One Cup of Coffee

On diners you have much less choice and only one cup of coffee—and that means one cup, not a pot. You'll have more fun on the Streamliners because at the end of the first day it's all one happy family, and after sprawling in postures that Emily Post would frown upon trying to get sleep in a reclining coach seat, everyone storms the dining car at the crack of dawn in the morning. You'll get more sleep on the regular trains carrying Pullmans, but you won't have quite as much fun unless you go back into the coaches and fraternize with the military, who are either: (1) singing; (2) drinking beer; (3) sparking any unattached girl; (4) playing cards; (5) sleeping; (6) eating.

But if you think trains are overcrowded, try the buses. The drivers are uniformly able, courteous and helpful, but otherwise the staff is pretty mediocre. Airplane companies seem to have the best trained, most courteous employees; railroads, considering the grief the boys go through with too much traffic, are as helpful as possible.

Occidental Life

Occidental Life at Los Angeles is a fast growing company on the coast, with \$630,000,000 plus insurance in force. Starting in 1906, it has reinsured or merged 20 odd companies and is willing to spend time, energy and money to become a billion dollar company. The controlling interest is in the Trans-America Corporation controlled by the Giannini interests.

It is said that V. H. Jenkins, vice-president in charge of production, was responsible for starting the company when he went to Mr. Giannini and said: "What about insurance on all of the individual borrowers and mortgage loans made by your banks?"

The company issues both non-par and participating, but writes non-par principally and, in addition, group and accident and health insurance. They do a big brokerage business and have several very large agencies in Los Angeles and San Francisco, operate in all states except 20 and also in Alaska, Hawaii and Canada. Business from Japanese in California and Hawaii is not so good at the moment.

A great insurance man once said that if he were to start a life company he would write every kind of policy he could and still be safe. Occidental has some of the philosophy and has done

right well with it. They are an aggressive hard-hitting, open-minded, business-like company who go after business rather than mahogany desks and upholstered chairs.

Pacific Mutual

Incorporated in 1867, Pacific Mutual Life was reorganized in 1936. Selling strategy has been profoundly influenced by two general agents, one the late Carroll C. Day of Oklahoma City and the other Joseph M. Gantz of Cincinnati.

Perhaps in no other company has the idea of life insurance as property, the idea of building prestige and the idea of fixing the problem been so thoroughly established. And few other companies have so consistently, for 20 years, built their sales procedure around one policy, the famous "It Pays 5 Ways!" That is, a life insurance policy with health and accident included.

William M. Rothaermel, the vice-president in charge of agencies, an old Equitable Society man, formerly in charge of the agencies for Continental American, has this to say about the job of the general agent:

"Most headaches and financial losses have been caused by marginal agents. Marginal agencies are equally unprofitable to the company. Last year 24 percent of our agents produced approximately 50 percent of our business. Last year 54 percent of our agencies produced 82 percent of our business.

Getting the Company's Average

"If our figures show that we get 1.15 percent of the total life business written in 38 states, it seems fair to ask the general agent to get that percent of the business in his territory. If we get 60 cents per capita of new business, it seems fair to ask the general agent to secure the company's average. If the company has an agent for every 110,000 people, it seems fair to ask the general agent to have one agent for every 110,000 persons. If it takes 14 producers to get a million dollars of new business for the company a general agent should measure up to this average. If the company's average is \$70,000 per agent, isn't it fair to ask the general agent to be average in this respect?"

"A constant flow of new men is more necessary today than ever before. Induction is necessary first because agents wear out. Second, they get on a plateau, they're making as much as their needs call for. Third, as age increases ambition decreases. Fourth, there is normal turnover by death, old age, sickness, divorce, moving. Fifth, men enter defense work and the armed forces. Sixth, new men adjust themselves better to new conditions.

"Looking at our recruiting records

since 1938, we find that of the 1938 appointees we had 62.4 percent left in 1939. Of the 1939 appointees, we had 68.2 percent left in 1940. Of the 1940 appointees, we had 62 percent left in 1941. An average survivorship of 63 percent in the second year. Going into the third year, we establish a pattern of averages of 32 percent recruit surviving.

Comparisons Are Set Forth

"Of any given number of recruits in one year, we will have two-thirds surviving in the second year and one-third surviving in the third year. Here are some comparisons:

	No. Prod. Per Mil. Pro-duced	No. Club Members Per Mil. Pro-duced	Aver. per Agent
Company A 1939.	11.9	2.9	84,000
Company B 1941.	14.9	3.53	66,824
Company C 1939.	14.0	4.0	68,000
Company D 1936.	13.7	3.9	73,800

In charge of recruiting and early training activities is Carter Bryant, former supervisor at Oklahoma City. The company has produced a manual with specific instructions on recruiting for first, second, third and subsequent interviews and with specific instructions on training the new man with two weeks in the office, a standardized five-way sale, a telephone canvass to get appointments, work activity reports.

Then Mr. Bryant dictated 12 phonograph records telling the Pacific Mutual story. A potential recruit can listen to the advantages of a life underwriting career and get a philosophy of the service of life insurance in any Pacific Mutual office from these records. And any salesman can hear prestige building or problem fixing or the five-way sale at any time told by a master, by running the record.

It is not uncommon for experienced agents, confronted with some particular case, to come into the agency room and run some one record to refresh themselves on a point. This method of stimulating or training or educating seems to have distinct possibilities.

West Coast Life

In San Francisco there is West Coast Life which was incorporated in 1906 and has \$130,000,000 insurance in force. H. J. Stewart is vice-president and manager of agencies. Fred East, manager of field service, is well known for stimulating articles.

Formerly writing in China, Hawaii, Alaska and the Philippine Islands, the company has lost about a fifth of its regular business due to the war.

Advance letters with a premium offer is a specialty of West Coast Life and there are ample records apparently proving that agents who send in selected lists of names and use this pre-approach letter system realize handsome returns.

Yet in common with most companies, it is a constant struggle to get agents to utilize advance letters. Every company doing much advance letter with premium work has this same problem and the answer of home office men in charge of this department is to prove that so many letters sent out will get so much business. They say the reason more men don't use more letters is that they are not sure it is profitable. An agent says: "Ten of our good men don't use these letters and why should I?"

To get new production equivalent to that lost in China, Hawaii and the Philippines, West Coast Life is actively pushing group insurance, salary savings insurance and is embarking upon a continuous educational and training program for present agents, using the D.L.B. Agent's Service as a follow-up to the company course has quizzes and work activity reports supervised from the home office. Half of its full-time men made the \$100,000 Club in 1941.

Federal Old Line Life

Any insurance man would enjoy looking into the operations of Federal Old Line Life of Seattle, it's so different. First, your commissions are about three-fifths of the normal basis and the balance is spent in sales promotion activities designed to make it easier for an agent to sell twice as much business as he normally would.

Man behind the gun is J. R. Cissna, lawyer, chairman of the board, script writer, magazine editor, legal counsel, promotion man. The company is about to break into California with a branch at Oakland, and a brief description of their plans will show something of how this company operates.

Two months before the new manager goes to Oakland, advance men, in this case women, are sent to Oakland to arrange for a series of dinners among women's groups, clubs, etc. At these meetings a movie is shown, including a condensed version of "Yours Truly, Ed Graham" with company material, pictures of previous dinners, west coast scenery, etc. Everybody has a good time and learns something about Federal Old Line Life.

Those attending are usually centers of influence for future sales. Each agent has a restricted territory much like an industrial debit. Each agency is a miniature home office, pays its own bills, is rewarded for savings and economies, issues its own policies. The branch manager is an A.V.P.—assistant vice-president, and normally he does considerable joint work with agents.

Educational Material

The company has its own artist, its own photographer, its own studio for the making and showing of movies and slide films. The company probably spends more money for educational material for its agencies and sales promotion literature and films, per insurance in force or per agent than any other company in the country. A weekly breakfast for all home office employees and such field men as are available is held to dispense information and stimulation and loyalty.

Thousands of copies of the magazine "ETC." containing company information and policy information and one or two feature articles by paid contributors are printed monthly and are available to all agents. If an agent has a prospect interested in music, or photography, or what not he can send that prospect an authoritative discussion on the subject of his hobby. Or if the prospect formerly lived in the middle west or east, the agent can hand that prospect

(CONTINUED ON LAST PAGE)



Breakfast session of resolutions committee at N. A. L. U. annual meeting: T. M. Riehle, Equitable Society, New York City; Lester Schriver, Aetna Life, Peoria, and Stanley Edwards, Aetna Life, Denver

Annuity Contracts That Are in Force in United States

Life Insurance Institute Presents Some Interesting Figures

Total annuity contracts in force in this country passed the two million mark for the first time in 1941, a total of \$663,500,000 per year of annual income being represented by 2,016,600 contracts, the Institute of Life Insurance reports.

"Today annuity contracts are being purchased in increasing volume on the annual payment basis, whereas in the past the vast majority were purchased through a single, lump sum payment," the Institute stated. "The present volume of annuity contracts outstanding represents contracts specifically designed to provide old age income, but in addition millions of Americans are using their ordinary life insurance to set up life incomes for their beneficiary if they die, or to provide a life income for their own old age."

955,700 Individual Annuities

Of the annuities in force, 955,700 are individual contracts with a total annual income of \$462,400,000. In 1941 payments to the holders of 356,000 individual contracts amounted to \$116,100,000. A total of 109,400 contracts are fully paid with income of \$51,500,000 to begin in the future. Premiums are now being paid on 490,300 individual contracts, representing \$294,800,000 of future income.

Group annuity certificates in force aggregate 977,500, providing total income of \$165,100,000. Group annuities are a development since 1921 and business management has adopted them widely to provide retirement income for employees. Generally, group annuities provide an income to the employee when his working days are over equal to half or more of his pay at the time of his retirement, depending upon years of service.

Last Year's Payments

In 1941, payments to the holders of 28,000 group annuity certificates amounted to \$21,300,000. A total of 920,600 group annuity certificates are fully paid for, providing future annual income of \$127,700,000. The future income of this block of nearly 1,000,000 employees, however, will increase each year as additional annuity units are purchased with each year of additional service. A total of 28,900 group certificates with income deferred and not fully paid, provides \$16,100,000 of additional retirement income for America's workers.

Annuity income totalling \$36,000,000 is also set up for American families through 83,400 supplementary contracts, representing the proceeds of life insurance policies converted into life income. Actual payments in 1941 aggregated \$23,600,000 through 55,400 supplementary contracts, while income from 28,000 fully paid supplementary contracts is to commence in the future at the rate of \$12,400,000 per year.

Two Qualify for Top Club

Jim Hack and H. J. McClarence, Peoria, Ill., have qualified for the 1942 Top Club of New York Life, an honor organization of the 200 leaders. Mr. Hack joined New York Life in 1932 and has been a member of the Top Club for the last five years. Mr. McClarence joined in 1939 and qualified for the club in 1941 and 1942.



Wilfrid E. Jones, N. A. L. U., and James P. Graham, Jr., Aetna Life, Baltimore, snapped at N. A. L. U. gathering in Chicago this week.

Petition Rehearing of Rule in American Life, Ia., Case

DES MOINES—A petition for rehearing has been filed with the U. S. circuit court of appeals at St. Paul on the recent decision giving Commissioner Fischer of Iowa the sole right to administer the \$3,600,000 securities placed on deposit by the former American Life of Des Moines.

The suit was started in 1938. Fischer contended the securities under the state depository law could be used only for policyholders of the former Des Moines company and not merged with American Life of Detroit which reinsured the Des

Moines company and later went into receivership.

American Life attorneys also are expected to appeal the circuit court decision, which was unanimous, to the United States Supreme Court. The case already has been before the supreme court on the jurisdictional question.

Provident Mutual Joins

Provident Mutual Life has been admitted to membership in the American Life Convention. This increases to 167 the number of companies now holding membership.

Increase your accident sales with ideas from the Accident & Health Review.

TRIER

Australians today have much of the pioneering spirit that Americans had in the Conestoga wagon days of a hundred years ago, at the time when American life insurance began its pioneering. It is said of Australians that they were born with their boots on, and that is why they make such daring soldiers.

Through our own troops in the Antipodes we have already adopted some useful words from the picturesque Australian vocabulary, and one of the best of these is *trier*.

Trier is a good word, a word born with its boots on. It means just what it looks as though it ought to mean. A trier is a fellow with gumption, one who will give it a try, and will try to make it work. He is one who will try anyhow.

When the going is not easy, when the chances seem against it, when we are taking it for granted that the answer will be negative, when we hear that so-and-so said that somebody else said that business is non-existent, when we get to thinking that it might be better if we just sit tight and wait awhile until things are better—perhaps the reason there is no movement is simply that there has been no start.

What we need then is a trier. And when we need a trier, let's be the trier.

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Three Main Factors Are Influencing Business Today

General Agent Notes Group Increase, Low Lapse, Loss of Men

NEWARK—Three situations appear to be outstanding currently in the life insurance picture, according to a well-known general agent. They are, the tremendous production of group business, the extremely low lapse ratio, and the number of irreplaceable good producers who are entering the armed services.

The big upturn in group business apparently is coming from all types of businesses, both large and small. Some of the companies are noting an increase in the group applications from smaller employers with from 10 to 100 employees. On the other hand, there have been some tremendous cases, the most recent being the big airplane factories in California where the premium is said to approximate \$10,000 a day.

Growth in Social Consciousness

In line with social trends of the past few years, employers are feeling more keenly a definite social responsibility to persons in their employ. Group insurance also tends to act as a restraining influence on the employee who may be tempted over to another firm by what appears to be more lucrative work. A great deal of labor "pirating" has been going on.

Apparently, the public is definitely sold on the idea of holding on to life insurance already owned. There is little lapsation of policies and cash surrender and loan requests are at a minimum. The war clause isn't a contributing factor because the age of policyholders owning the bulk of the present life insurance in force is beyond that of those who would be expected to be called for service in the armed forces.

Agency Force Off 20 Percent

Although the agency force has been estimated to be 20 percent less than it was a year ago, representing mostly a loss of marginal and younger men to defense work and military service, a substantial number have left the business to enter the armed services who have been excellent producers and it is impossible to replace them. Even if other men are servicing their clientele, they are not able to do as good and as thorough a job as the men who originally placed the business. Occasionally there have been personal contacts between the producer and client which cannot be replaced by other agents.

Army Causes Detroit Shifts

DETROIT — The 40-story Union Guardian building, Detroit's third largest skyscraper, located at Griswold and Congress streets, has been requisitioned by the army ordnance department for the duration, and more than 150 tenants, including many of the city's larger insurance offices, have been requested to move to other quarters.

Among the life insurance agencies which are engaged in a hurried scramble for new quarters are Aetna Life, Connecticut Mutual, Dominion, Equitable Society, Great-West, Home Life, Lincoln National, Mutual Benefit, Northwestern Mutual, State Mutual, Sun and Travelers. A number of fire and casualty company offices and general insurance agencies are also affected.

Study "Marketing Life Insurance" by Dr. J. Owen Stalson. \$6. Order from National Underwriter.

Woman Makes Good As Life Insurance Agent in New York

Writes 17 Apps Since She Began May 1 with Mutual, N Y.

NEW YORK—Many general agents and managers are giving serious study today to the question of recruiting women as agents. The case of Miss Louise R. Evangelist of the Harold L. Taylor agency of Mutual Life, New York, is interesting in this connection because Miss Evangelist is not only doing a good job, but she is successfully writing business in a city which is said to have been affected adversely to a greater extent than any other large city by the war effort. Miss Evangelist began her active work with the agency May 1. Since that time, she has written 17 applications, a number of \$1,000 and \$2,000 policies constituting the bulk of the business, but she has a \$20,000 case in the mill and the prospects of a number of larger cases look very favorable.

Miss Evangelist had no previous life insurance experience, having formerly done secretarial work in a general insurance office. The Taylor agency has had several women producers for a number of years and decided to hire a woman agent through the insertion of an advertisement in a suburban New York paper. Five or six women responded to the advertisement and Miss Evangelist was selected.

Sells Women Prospects

Probably the main reasons Miss Evangelist is succeeding so well in her work are that she has an attractive personality, having the ability to talk with people in a natural and friendly manner, and the fact that she does what she is told.

Many women are working now earning good money, either in their own businesses or in defense work, Miss Evangelist stated. She finds that these women are interested in a savings plan and generally sell them a 20 pay life policy or an endowment policy.

Among the women prospects she has written are: Private secretaries, beauty shop operators, factory workers, models, and an art teacher. She makes an appointment by telephone and every person seen has resulted in an interview.

Even though the person may not be a prospect at present, Miss Evangelist makes a record of the birthdate and is building up a prospect file which in a year's time will have over 300 names, with birthdays, getting six names a week. After each call, a letter is sent out the following week thanking the prospect for the courtesy of the interview.

Wants to Talk Insurance

Miss Evangelist is a natural prospector. She is not backward about talking to anyone about life insurance and if she feels that there is a need, she does not hesitate to talk about it. She believes in making Sunday calls and wrote her third and fourth applications on a Sunday. She plans her calls in advance and arranges them by sections, avoiding time lost in traveling back and forth as much as she can.

As an example of what Miss Evangelist is doing, she called on the woman bookkeeper of a factory and talked to her about life insurance. At the present time, the bookkeeper is not herself a prospect, but Miss Evangelist asked her

College Trustee



JOHN A. STEVENSON

President John A. Stevenson of Penn Mutual Life has been elected a trustee of the University of Chicago. He is also a trustee of the University of Pennsylvania and of Berea College, Berea, Ky. Mr. Stevenson took his A.B. degree at Southern Illinois Normal University, and received the same degree at the University of Wisconsin later on. He took his Ph.D. degree at the University of Illinois. He began teaching in the Nashville, Ill., high school in 1905 and later was principal. He then went to Olney, Ill., in a similar capacity. He joined Carnegie Institute at Pittsburgh as professor of education and when the School of Life Insurance Salesmanship was established he became its director. He entered his active insurance career in 1920 by being elected third vice-president of Equitable Society.

A Boyle Is Here A Boyle Is There In Fact the Boyles Are Everywhere

The firm of Boyle & Boyle of Chicago and Albuquerque, N. Mex., is always active in numerous directions. John Boyle, head of the agency, stays in Chicago during six months of the summer and fall weather managing the Chicago agency of the Minnesota Mutual, while Kitty Boyle, his wife, operates the New Mexico state agency of the company at Albuquerque during that time. John goes to Albuquerque in the winter time and conducts the agency there while Kitty takes charge at Chicago.

Both are politically minded. Robert Valdez, candidate on the Democratic ticket for Congress in the Albuquerque district, has appointed Mrs. Boyle as assistant campaign manager. Mrs. Boyle frequently goes to Washington, D. C., where she is in close touch with some of the political leaders.

if she would do her the favor of giving her the names of the seven highest salaried employees on the payroll. She agreed to do this. Miss Evangelist has written each of the seven a letter and it looks as if some very nice business were going to develop.

Miss Evangelist is enthusiastic about the opportunities offered by the life insurance business. She has written about 50 percent of her business on men, but she feels that women are occupying an increasingly important place as life insurance prospects and they are the source of good business for any agent.

To Supply Blanks Only on Request

N. Y. Dept. Finds Half Its Companies Now File Lithographed Statements

ALBANY—Because of the number of companies which now use lithographed or printed annual statements for filing with insurance departments, the New York department has decided, for the sake of economy, to discontinue the practice of sending to each licensed company three copies of the convention blank and to send blanks only to those companies which specifically request them. A circular letter will shortly be issued informing the companies of this change in procedure and requesting notification of the number of blanks that will be required, if any.

Until three years ago the New York department required that two official copies filed by each company be handwritten or typed. Since then it has permitted the official copies to be printed or lithographed. The result is that of the approximately 850 companies of all classes filing statements with the New York department about half file lithographed or printed statements. While a few companies in the latter group will need blank copies of the statement for special purposes it is quite likely that somewhere in the neighborhood of 400 companies will no longer need to be supplied with the customary three copies.

Substantial Saving Seen

Since copies of the convention blank cost the department about \$1 each the elimination of 1,200 or so copies and the postage required to mail them out would mean a considerable saving even though the department would probably have to pay a somewhat higher price per copy for those it does order if the quantity were drastically cut.

While the department has not charged the companies for the three copies it has furnished them routinely, the cost of operating the department, in excess of receipts from licenses, fees, etc., is assessed against domestic companies in proportion to their direct premiums written in New York state. Hence any saving in departmental expenses is passed along to the companies domiciled in the state in the way of lower assessments. Incidentally, the assessment was \$90,000 for 1941 as against \$194,000 the previous year. Life companies paid \$57,000 of the assessment as against \$33,000 for all other types of carriers.

Some Forms Eliminated

The department has been cutting down the number of special annual statement forms wherever possible. Within the last few years it has eliminated form 4A, the special fraternal juvenile statement; form 5, used by some New York state assessment life and accident concerns; and form 10, used by New York state workmen's compensation companies. The latter now file on the regular miscellaneous (casualty) blank, except that they use a schedule R, which shows the development of compensation loss reserves on the case basis rather than schedule P, which uses the formula basis.

Nearly all companies not filing handwritten or typewritten statements use the photo-offset lithography method of reproduction rather than printing from type. The lithographing companies specializing in this field supply their customers with reproductions of the statement blank pages on which the data are typed or written. Since the pages are reproduced photographically on the lithographing plates there is no possibility of a typesetter's or proofreader's error.

Lithographing represents quite a saving in expense to companies which file in more than a few states. Also, in recent years lithographing companies have supplied their customers with

Continental Holds Production Clubs' Annual Meeting

Dwight Johnson is President for Third Consecutive Year

Dwight Johnson, vice-president of Herkness-Peyton-Bishop general agency, Philadelphia, was announced as president of the Continental Assurance production clubs for the third consecutive year at the annual convention of the One-Two-O and Two-Five-O clubs in Chicago. Mr. Johnson was presented with a plaque and a war bond by M. B. Simms, assistant superintendent of agencies. As Mr. Johnson received these awards he handed in his qualification for the club next year. Vice-president for 1942, was Harry Rosenwasser, Chicago. About 94 qualified for attendance.

In the Thursday morning session, at which W. E. White, vice-president and director of agencies, presided, C. T. Cravens, educational director, outlined a new policy form, the Continental "Ten." This contract offers 10 options on the ordinary 30-pay life policy. Mr. Cravens noted that there was nothing startlingly new about the features of the options outside of the manner in which the policy could be presented. Its flexibility is wide enough to cover almost any need or emergency that might arise.

Thursday Morning Speakers

Speakers on the Thursday morning program included F. Y. Snell, Grand Rapids, Mich., president of the general agents and managers associations, and Roy Tuchbreiter, vice-president of Continental, who extended greetings and welcome to the men. Then Fred H. Schroeder, general agent, Portland, Ore., gave the agents a talk on the value of including social security as a selling point in a life program.

Dr. H. W. Dingman, vice-president and medical director, spoke briefly. He contended that holding a convention in wartime is justified because of the "information, inspiration and contacts" that are given there. Dr. Dingman pointed out the importance of the role that life insurance plays in the national economy, and the need for it to continue to do its job thoroughly.

Interviews and Talks on Friday

In the meeting on Friday morning, there were a number of selling and inspirational talks given by both agents and home office men. R. W. Weddell, manager of the group sales department, emphasized the advisability of enlarging the group sales field. He cited the advantages of group insurance to the employer and worker, and noted that it was a feature of business relationship that created good will for all parties concerned.

A new method of gaining information from men who are successful in their fields was tried at the meeting. A series

greatly enlarged reproductions of certain pages, such as in the schedules, which must be filled in with a large number of entries. Several times as many entries can be typed on such a sheet as on the regular statement page. The typing is correspondingly reduced in reproduction but is still amply legible. Another saving is effected in the case of companies having only a few items or perhaps none to enter in certain exhibits or schedules. Several of such headings are reproduced on one page instead each having its own page, as in the standard convention blank.

of four interviews with agents was held. A. B. Carroll, Milwaukee, was interviewed by Mr. Simms, and the importance of use of the App-a-Week Club was remarked on by Mr. Carroll, who has nine years of consecutive membership to his credit. Philip C. Belber interviewed T. C. Auld, general agent, Trenton, N. J., who said that every general agent should sell life in order to increase his total business and reduce competition.

Talk by Dwight Johnson

C. T. Cravens talked with R. S. Davis, Peoria, Ill., who explained that the working woman is a good substitute for the young man who is now in the army. In the final interview, Frank Snell and Harley Hawkins, Pontiac, Mich., discussed salary savings. It was observed that the policy of selling only salary savings, or sticking to any single policy form is a poor system for the agent to follow.

Notes Rise in Spending Power

Dwight Johnson then gave a talk on "Life Insurance in Wartime," in which he was optimistic as regards the future of the life business. He pointed out graphically that the optional spending power of four of the five brackets of the American money earners has risen tremendously since 1935. The only bracket that has lost spending power is the extreme upper group, which constitutes only about 1½ percent of the population.

Despite the loss in the top bracket, Mr. Johnson remarked that they may still be sold if the agent sells them on the idea of investing their capital and not their income in life insurance. However, he noted, the best groups to sell now are the third and fourth sections, those who have never had quite enough money to put into insurance, and are now confronted with the problem of having plenty and no place to put it. He listed nine profitable fields, including: Young men who have received promotions, farmers, professional people (a greatly overlooked field), wealthy women, junior executives in defense plants, the wives of these men, defense women, business life insurance, including "key man" insurance and group insurance.

Is Optimistic About Future

In an optimistic closing, Mr. Johnson remarked that agents are now better trained than ever before, and he then compared life insurance with war bonds as the best possible investment to make at any time. He explained that the government bonds are in the hands of the people, and, therefore, they would quite probably hold their value. As long as the war bond is worth anything life insurance will be as valuable as ever, he observed.

Following Mr. Johnson, C. T. Cravens explained another new Continental policy. The readjustment income, under a \$3,000 plan provides for \$100 monthly for the first year, \$75 monthly for the second, \$50 a month for the third and \$35 a month for the fourth and last year. Mr. Cravens told the men that this plan may be worked in with the Continental "Ten" to great advantage.

The club meeting was closed with an address by W. E. White, on "Looking Ahead." In the evening the men were entertained at a banquet.

Agents and Managers Meeting

Saturday morning the annual meeting of the General Agents & Managers Association was held. A discussion of the Continental "Ten" and the step-down plan in agency building was led by Mr. White and Mr. Cravens.

Officers of this group are: President, Frank Snell; vice-president, Dwight Johnson; secretary-treasurer, W. R. Dignan, Cincinnati; directors, the officers and M. H. Kaliff, San Antonio, Tex.; M. L. Killian, Canton, O.; R. M. Vetter, Madison, Wis.; N. P. Brewer, Rockford, Ill.

F. P. Gauer who has been assistant cashier of Travelers at Winnipeg, has been made cashier at Vancouver. He has been with Travelers since 1920 at Winnipeg.

"App" a Week for 20 Years; "Just a Habit"

Completing 10 years of continuous weekly production, Herman L. Schindler, general agent of the Old Line Life of America at Monroe, Wis., sent in an "app" with the comment: "Guess it's just a habit, and the going is still pretty good."

A year ago he bade farewell to app-a-week production. He had written business every week without a hitch for nine years, from Aug. 1, 1932. "I enjoyed it," he wrote. Getting an "app" was sometimes easy, sometimes tough, but he was signing off. That was a year ago but the "apps" continued to reach the home office week after week.

In his ten years of consecutive production, Mr. Schindler records an average per year of 75 life and 37½ accident and health "apps." He is a charter member of Old Line Life's Star Leaders' Club, having held membership for 20 years. One of the requirements is a high renewal ratio.



Herman L. Schindler,

Eight Life Companies Among Top 31 Financial Firms

According to a United Press release, there are now 31 billion dollar companies in the United States, of which eight are life insurance companies. The corporation with the largest assets reported is the Bell Telephone system, with \$5,893,765,919 in 1941. Metropolitan Life is second, with \$5,648,047,196, followed by Prudential with \$4,556,085,000. Chase National Bank and the National City bank of New York follow in that order, after which come New York Life with \$2,987,269,000 and Equitable Life with \$2,740,635,508. Thus there are four life companies among the top seven financial institutions in the country.

Among other life companies included on the list are: Mutual Life of New York, assets of \$1,541,952,000; Northwestern Mutual, \$1,439,890,000; John Hancock Mutual, \$1,166,498,365; and Travelers, with \$1,156,436,403.

However, none of these life companies has joined the select list recently, as all have been billion dollar firms for a number of years.

At the end of 1940, the banks had more than \$6 billion of their \$19,301,097,366 assets invested in government bonds and the insurance companies held about \$4,250,000,000 of their \$20,052,885,475 assets in government securities.

At the end of 1940, the banks had more than \$6,000,000,000 of their \$19,301,097,366 assets invested in government bonds and the insurance companies held about \$4,250,000,000 of their \$20,052,885,475 assets in government securities.

Plans for Colborn Agency

Earl F. Colborn, general agent of Connecticut Mutual Life in Rochester, N. Y., has been commissioned a captain in the army air transport service and left for training at Miami. His agency will be in the able hands of three supervisors: N. L. Egbert, J. W. Steinmann and D. C. Newton. For several years Mr. Egbert has been supervisor in charge of the agency's Syracuse office. He is being transferred to Rochester in charge of the agency.

Mr. Steinmann hereafter will be in charge of conservation. Mr. Newton, C.L.U. and president Syracuse Life Underwriters Association, has been placed in full charge of the Syracuse office.

Service Grows...

Last year was our best year in the matter of gain in Life Insurance in force.

For the first six months of this year our gain was greater than in the same period last year.

That's because Shield Men are already trained for service in the great new American market.

The
NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.

C. A. CRAIG, Chairman of the Board C. R. CLEMENTS, President
HOME OFFICE NATIONAL BLDG.
NASHVILLE TENNESSEE



Work of a Football Coach

What Has Been Accomplished in Rural Minnesota by Use of Good Strategy

By E. L. RONEY

The telephone buzzed on the desk of Ray E. Habermann, outstate manager of the White & Odell agency of the Northwestern National Life in Minneapolis.

A newly-appointed agent in a small southern Minnesota town was calling "the boss."

"Oh, I'm glad you called . . . I had a call in for you . . . you're doing a fine job . . . \$35,000 so far this month . . . that's a splendid beginning . . . but I'm counting on you to make it \$50,000 for the month. You say Dr. ——— likes our contract so well he wants another \$10,000? I'll see what we can do and write you later today . . . remember, I'm pulling for you to make your first month with us \$50,000. Goodbye."

Football Coach Tactics

Sounds something like a college football coach giving his kids the old between halves inspirational "do or die" stuff. "Now get out there on that field and lick 'em!"

Well, Ray Habermann used to be a football coach—at Knox College, Galesburg, Ill. For the past six years he has been building up and directing one of the go-gettingest life insurance teams in the middle west. My assignment was to find out how he does it, particularly in these war days. That one-sided telephone talk at the beginning of this story gives some idea how Habermann's team is clicking.

That was just an end run by one of the new halfbacks. Here are the yardage figures of the entire team for the first half (six months ending June 30): An average monthly production, paid-for basis, of \$400,000.

Not so bad for some 40 small town agents in an agricultural state, is it?

Has Out-State Territory

Maybe it should be explained at this point that the out-state organization which Habermann handles takes in all of Minnesota outside the Twin Cities. Duluth is the one sizable place in his territory and that is a city of 100,000. All the others are cities under 30,000 and ranging down to around 3,000. Most of them are under 15,000. Not many higher-bracket incomes to work on. Considerable farmer business.

"We settled for \$5,400,615 on 3,026 applications in 1941 and expect to do as well or better this year," said Mr. Habermann.

Maybe he hasn't told his "players" the country is at war and they are going right out and playing their usual, normal game!

"We are out to do business, not to listen to talk of war and hard times," is the way he puts it.

Some Individual Achievements

How well they are succeeding in ignoring the war is revealed in some of the individual performances.

One new man, who joined the agency the first week in February, working a town of 5,000 on the western Minnesota prairie, turned in 76 apps for \$95,600 (paid for basis) by June 30. Another, in about the same period, wrote 31 policies for a total of \$56,000. Ten apps for \$27,000 is the record of a recruit who went with Habermann March 20 this year while another who began April 1 turned in 27 apps for \$35,168 in three months.

"These men are getting business because they work hard," said Mr. Habermann. "The fellow who sits around twiddling his thumbs is not going to get it."

But what about this war-time sales resistance, so many agents are harping

on? We tossed that one at Mr. Habermann.

"There are just two major points raised today by our prospects," he replied. "One is inflation; the other, that old bromide, 'I don't know what is ahead of me.' To meet the inflation excuse, our men use carefully prepared charts to show how a sound life insurance purchase program will offset the evils of inflation. As for the fellow who has his misgivings about what the future has in store, we try to convince him that an investment in life insurance is his best safeguard."

But there is more than hard work and smart salesmanship behind the Habermann field force. Civic mindedness helps a lot.

"I urge my men to play their part in community life; to attend some church; to keep their local credit in good standing."

Had to Readjust His Sights

Mr. Habermann was a city-trained producer when he took over the out-state job for the White & Odell agency and it meant practically learning the life insurance business over again. Personal production and agency management in large midwest cities like Chicago, St. Louis, Kansas City and Minneapolis is one thing; building an agency that sprawls over 85,000 square miles of small towns and farming country is something else again.

Six years ago O. J. Arnold, president of the Northwestern National Life, was casting about for the right man to develop his company's production in rural Minnesota. Ray Habermann at that time was Minneapolis general agent for the State Mutual. Notwithstanding his big city background, Mr. Arnold decided Ray was the man he wanted and induced him to join the White & Odell home office agency as associate manager in charge of all production outside the Twin Cities.

Production Record

How well he has handled this assignment, starting from scratch in 1936, is revealed in the following production record:

Full Time Agents	Year	Appls.	Settled for
20	1936	986	\$1,802,770
25	1937	1,873	3,612,424
43	1938	2,230	4,027,351
40	1939	2,154	4,012,951
44	1940	2,336	4,271,604
40	1941	3,026	5,400,615

Likes Individual Performance

Though "Coach" Habermann is pleased with the team play of his agency force he likes the individual performances, too, as reflected in the earnings of star producers. Note these figures:

Income of his ten top flight men in 1941 (income tax figures) ranged from \$3,546 to \$9,188; seven of the ten earned above \$4,000 and the average for all ten was \$5,563 for the year, or at the rate of \$463 a month.

But this does not tell the whole story. Men without any previous life insurance experience, after one to less than three years in the Habermann organization, earned an average of \$133.57 a month in 1941. Men who joined the organization with some previous selling experience earned an average of \$462.36 a month in 1941 after one to less than three years in the agency. Men regardless of experience who have been with Habermann's organization more than three years earned an average of \$270.45 a month last year.

No salaried men are included in these figures, which are not particularly discouraging, coming from the outlying precincts of a typical farm state like Minnesota. The Northwestern National

has a renewal income plan developed by President Arnold. It is worth noting that 23 of Habermann's men who have been with the company an average of 9½ years now draw under the Arnold plan from \$25 to \$348 a month in addition to their regular commissions. This is an average of \$103.52 a month, which, Mr. Habermann points out, is equal to 3 percent a year on an investment of \$41,409 in stocks and bonds.

No wonder "Coach" Habermann gets results from his "team" when he gives them a pep talk built around those figures!

Promotes Phone Appointments

C. H. Heyl, agency director of Bankers Life of Nebraska, has submitted to agents a setup to help them in making the telephone a more useful aid in securing appointments with prospects, now that car and tire priorities are operating to cut down automobile use. It includes answers to each objection interposed to avoid making a contact personally, the purpose of telephone use being not to sell insurance but to get an appointment.

Mr. Heyl says agents who have trained themselves in the use of the telephone are able to get a full day's list of appointments with an hour's use of the

Tentative Date for Commissioners

John Sharp Williams, 3rd, insurance commissioner of Mississippi, who is president of the National Association of Insurance Commissioners, states that the date of its mid-year meeting in New York City has tentatively been set for Dec. 6-9 at the Pennsylvania hotel.

instrument, and that if others will try it long enough the law of averages will bring similar results.

Capitol Life Cancels Its 1942 Convention

Upon the results received from a poll of the delegates qualified to attend its 1942 convention, Capitol Life has canceled this year's meeting of its field force.

This action was taken with the entire accord of those qualified to attend.

War savings bonds were awarded to all qualified delegates in lieu of the convention trip.

"The Friendly Company"

THE OHIO NATIONAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO T. W. APPLEBY, President

General Insurance Man Is Wooed

Today's Recruiting Problem Turns Attention to Fire, Casualty Producer

A number of the life insurance companies under present conditions are looking fondly at the general insurance agency as a source of business. A good many companies for the past several years have been developing this type of connection and such companies are wooing the field even more aggressively and other companies that have not heretofore gone into such offices are seriously thinking of doing so. Attention is turned in this direction because the companies are losing a good many of their full time men and because of the difficulty of making satisfactory replacements.

One of the principal drawbacks to dealing with general insurance agents on the whole is the amount of motivation that must be applied to get such agents to devote their attention to life insurance. The business that they do produce is usually of a highly desirable character and most of them have a rich source of prospects but by and large they do not go after life insurance unless some home office man is right on the spot and gives them the necessary inspiration. Some of the life insurance companies have considered employing what would compare to a special agent in the fire and casualty insurance field to call on agents regularly and keep their interest in life insurance alive.

Although most of the local insurance agencies these days are doing well and their volume of business is well ahead of last year, yet they are all apprehensive because of the uncertainty as to the automobile. A large part of the business of all local agencies consists of automobile insurance. So far this year the volume of automobile insurance has kept up with last year's writings but there is great fear as to what the future holds and local agents that in ordinary times might not be disposed to push for life insurance production might very well be induced to go into action today merely because of their fear of losing their automobile insurance.

Loan Repayments Are Larger

Repayments of policy loans to Northwestern National Life during the first six months were 18 percent greater than in the first half of 1941.

The total number of individual loans increased sharply. These were smaller loans being made for purposes different from the general run of purposes for which loans had been obtained. The volume of smaller loans reduced the size of the average individual loan in force from \$332 as of July 31, 1941, to \$301 as of July 31, 1942.

GENERAL AGENCY OPPORTUNITY IN THE PACIFIC NORTHWEST

One of the upper bracket, New York Standard Companies has a general agency opening in an old established agency in the Pacific Northwest. Collection fees on substantial volume of good business in force. Liberal expense allowance. A real opportunity for the right man. Must be a producer of proven ability, with qualifications for management. State full history and insurance record. Box Q-32, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Salary Allotment Offers Real Field

H. J. Bassett of New York City Points Out Some Phases of this Line

NEW YORK—Salary allotment insurance offers many advantages to the agent who wishes to increase his production and may be a key to the problem of contacting people working in defense plants who would otherwise be difficult to get in touch with. H. J. Bassett, agency organizer Knickerbocker agency New York Life, New York City, commented in discussing that plan. Mr. Bassett has found the salary allotment plan an effective means of master prospecting, using it in this way in his own personal work and also with other agents. It enables an agent to meet employees individually and serves as a method of tying together all of the benefits held by the employee.

Mr. Bassett usually equips himself before he calls with certain information which he has received from policyholders working in the different firms holding positions that can give preapproach information. He is interested in finding out what employee benefits are available, whether the turnover is large or small, and the types of occupation.

Gives Hold on Employees

Either a business is making money or it is not. If it is making money, the employer is interested in providing employee benefits in trend with the times. If it is not making money, the employer is desirous of keeping or holding his employees. A salary allotment plan gives an employer a hold on his employees and it gives the agent high quality business with a good persistency. All employers are interested in improving their labor and employee relations and stopping the pirating of employees which is now prevalent.

Salary allotment appeals to the individual because the premium is automatically deducted from his check each month and it gives him an easy and convenient means of buying his life insurance.

Mr. Bassett also does cold canvassing, presenting a general picture of what can be done for the employer and employee and showing why the employer should do something about it.

He arranges an appointment for an actual demonstration on salary allotment on his first call which has been worked out by his company. In selling the idea, life insurance supplemental to social security benefits is used.

Gives Agent a Foothold

If a salary allotment plan is adopted, it makes the agent the life insurance man of the organization and gives him an entree to all of the employees. If it is not accepted, the agent forms many useful contacts which are likely to prove valuable to him. Mr. Bassett said that salary allotment had produced substantial extra individual business for the men who were selling it in his agency.

Frequently, an employer is not only willing to give sponsorship, but is also willing to participate to some extent. Mr. Bassett has successfully sold the idea to a large number of smaller businesses, such as publishing houses, banks, machine tool firms—a good cross section of business in any community.

A salary allotment case usually means considerable work at the homes of employees. Mr. Bassett estimates that 30 percent of his interviews with employees are held in the office and 70 percent in their homes.

No matter what we have to do, we never have to quit.

Give the other fellow a chance to talk—you may learn something!



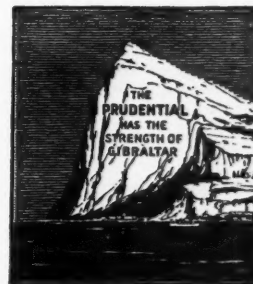
A Job for Today

Henry W. Longfellow could hardly be classed as an alarmist, but he was most emphatic in one warning, when he wrote: "Trust no future, however pleasant!"

The prospect you plan to see "some day" may not be available "later on."

Be fair to yourself by discussing his protection with him now, and what is more important—

You will be fair to him!



The Prudential
Insurance Company of America

Home Office, NEWARK, N. J.

Life Sales in Canada Get New Lift

The new compulsory savings measure in Canada has caused a great increase in life insurance sales in that country, with July production up about 50 percent from the July, 1941, level. Under the setup the income tax may be reduced up to a maximum of 10 percent of income for savings such as war bonds, life insurance, mortgage repayment, etc. The life insurance must have been in effect June 22, 1942, but there is an additional credit for new life insurance purchases. For a new life policy, the taxpayer may deduct 50 percent of the first year's premium up to a maximum deduction of \$50. The entire second year premium, \$100 maximum, may be deducted. That has proved to be a tremendous stimulus to sales.

Union Central Analyzes Source of Its Business During First Half of 1942

Executives and officers of businesses, and men in the skilled labor groups were the two occupational categories which made up the larger part of Union Central Life's volume during the first half of 1942, a survey of policyholders reveals.

A gain of 21 percent over 1941's January-June interval in number of policies sold to executives was noted this year. The policy size also showed a substantial increase, the average policy amounting to \$15,600. This group accounted for better than one-fourth of Union Central's volume during the first half of this year.

In the skilled labor occupational group, which includes technical employees, managers, foremen and the like, an even greater gain in number of policies sold and volume in 1942 was found. Number of policies shows a gain of 35 percent over the 1941 record for the same period, with the average policy size amounting to \$4,700. Business written on this occupational group accounted for 25 percent of Union Central's volume for the first six months.

Owners and proprietors of businesses were the third most active source of Union Central's business during '42 thus far. The average policy size sold to this group was \$5,600. Sales to this category were off slightly, both in volume and in number of policies, from the 1941 figure.

Unskilled employees, clerical workers and salesmen made up the remaining occupational classifications covered in this survey of policyholders. Business from these sources during the first half of the year was not up to the 1941 level.

Service Insurance at 18 Billion

Men in the armed forces have made approximately 3½ million applications for national service life insurance with a face value of more than 18 billion dollars. The number of applications does not represent the number of men involved because it has been made optional with the individual, who could take out any amount from \$1,000 to \$10,000. It is noteworthy that only a few hundred thousand men applied before Pearl Harbor.

Brig. Gen. Frank T. Hines, administrator of veterans' affairs, reported the totals at Cleveland to the national encampment of United Spanish War Veterans. Benefit payments so far have been considerable, he said. Many awards resulted from the automatic insurance which Congress provided retroactively after Pearl Harbor for protection of dependents of men who lost their lives after the declaration of war but failed to purchase insurance policies up to \$5,000.

Metropolitan Gives Typewriters

Metropolitan Life has released 410 typewriters to the government in response to Donald Nelson's appeal to business firms.

Trussell and Crow Are Properly Identified

In last week's issue the pictures of A. D. Crow of Lincoln National and Albert



Albert Trussell



A. D. Crow

Trussell of Mutual Life of New York were inadvertently switched. The two men are shown herewith correctly identified.

Mr. Crow, assistant general manager of Lincoln National at Minneapolis, has been promoted to general agent at Columbus. Mr. Trussell has been transferred to the Mutual Life home office as agency assistant, from the Ives & Myrick agency.

Aggression of Insured Was Chief Issue in Double Indemnity Case

The Louisiana court of appeals reverses the lower court in *Thom vs. Metropolitan Life*. The plaintiff as widow of the insured brought this action to recover the double indemnity provided by two policies on the life of her husband. The insured was a heavy drinker and on the night of his death came home and threatened to wipe out his entire family. He attempted to choke his wife, but she ran to a retreat which she had used on previous occasions, whereupon he asked his son where she was. The boy refused to tell and the insured went to the house, obtained a pistol and chased the boy around the house. He dropped the gun, which the boy picked up, and then the chase continued away from the house.

The insured somehow obtained another pistol and when he neared the boy and aimed the pistol, the boy shot and killed his father. Under these circumstances, there is no doubt but that the insured was the aggressor and his death cannot be held to have resulted from external, violent and accidental means, the higher court holds, thus reversing the lower court's decision in favor of the plaintiff.

Treatment of Assured Prior to Issuance of Policy

The Springfield, Mo., court of appeals reverses the lower court in *Brown vs. Metropolitan Life* in which an issue arose over the treatment of the insured prior to the issuance of the policy. The policy provided that it would be voidable in the event that the insured had received medical treatment within the two years preceding the issuance of policy and this fact was not endorsed on it, unless such treatment was not for a serious disease.

The company pleaded this clause in defense of the action and introduced two doctors who testified to having treated the insured for tuberculosis of the spine within a year prior to the time when the policy was issued. In rebuttal, the plaintiff offered lay witnesses who stated that the insured appeared to be healthy, never complained and that she was never sick before her last illness.

Holding of the Court

However, under the circumstances, the testimony of lay witnesses is not sufficient to rebut professional testimony with respect to such a serious disease, the higher court held. The voidability clause is valid and the company properly tendered to plaintiff the amount of pre-

miums paid and denied liability under the policy within the contestable period. The company was entitled to have its instruction in the nature of the demurrer given at the close of the evidence and the lower court erred in refusing so to rule, the upper court declared.

Question of Suicide in Case Against Aetna Life

The Tennessee court of appeals, eastern section, upheld the company's contention in *Bryan vs. Aetna Life*. The company issued to A. P. Bryan a \$5,000 policy payable to his wife. The assured died Jan. 3, 1936, as a result of a bullet wound in the right temple. The policy contained a provision limiting the liability of the company to a return of the premiums paid in case the assured should commit suicide within two years from the date of the policy. After the death of the assured, Aetna Life denied liability on the theory that the insured had committed suicide within two years of the date of the issuance of the policy. The lower court submitted the case to the jury and the verdict was returned in favor of the beneficiary.

On appeal to the higher court the Aetna Life contended that under the proof adduced the suicide of the insured

had been established as a matter of law and therefore the lower court erred in not withdrawing the case from the jury. The insured was found fatally injured as the result of a bullet wound, in a car belonging to his employer, with a pistol in his hand which the evidence disclosed had been purchased from a pawn broker by the assured. The higher court upheld the Aetna Life's contention and dismissed the beneficiary's suit, holding that all of the circumstances were inconsistent with the theory of murder but consistent with the theory of suicide.

The two huge service flags of Prudential, which were unfurled at the home offices with impressive ceremonies a little more than a month ago, now present a new aspect. There are now 1,487 members of the home offices and field staffs, compared with the 1,226 first honored, and a new gold star has been added to the three previously recorded. The four gold stars are for Lieut. Ramsey A. Nares, Royal Canadian navy, former employee of Winnipeg branch; Corp. E. F. Hurd, U. S. army, agent in Philadelphia, killed in action, Philippines; Lieut. John M. Walkley, Jr., Royal Canadian navy, mortgage loan branch in Montreal; Private Walter C. Joerges, army air corps, home office clerk.

SMALL enough to be BIG!

To the average agent in the field a good life insurance company to represent is not measured by size alone. More important than size is how good and what kind of a Home Office.

Union Mutual's insurance in force passed the \$100,000,000 mark in June. Its assets are over \$27,000,000. That's not small! It has offices in 18 states including New York, where it has operated for over half a century.

But, more important to the agent, it has character . . . character springing from 95 years of sound New England management . . . character worth money to its field men. Most important of all it has a cooperative, aggressive Home Office.

UNION MUTUAL
LIFE INSURANCE COMPANY
PORTLAND **MAINE** HOME OFFICE
ROLLAND E. IRISH, President
FOUNDED 1848
LIFE • ACCIDENT • HEALTH INSURANCE

Difficult to Reach Defense Workers for an Interview

Life Men, Outside of Industrial Agents, Find Field Tough One

HARTFORD—Booming war industries in the Hartford area, growing employment, and fattening payrolls have created a huge new market for the sale of insurance of various kinds. Defense workers, regularly drawing larger pay than at any time in the past, while the number and variety of commodities on which they can spend their hard-earned cash is constantly being curtailed, have plenty of money for investment and safety that many of them never have had before.

The results being achieved by Hartford's insurance offices, however, in attempting to capitalize on this unique opportunity for extensive sales at their own back door, are difficult as yet to assess. No actual statistics are available on the size or number of policies sold to the workers who have converged recently in the local factories, and reports from the several companies and agencies are at times contradictory.

Some Problems to Be Faced

Among the principal problems faced by insurance men in opening up this whole field are those of convincing many of the war workers of the wisdom of investing part of their earnings in insurance, and of getting access to them during their brief hours of leisure, a difficulty accentuated by the three-shift basis on which local war plants are operating.

Then, too, the employees in industries here as elsewhere represent an entire cross-section of the population, and can not all be approached in the same manner, or with the same arguments. Among those tending lathes, machines and presses, working side by side with those engaged in factory work in peacetime, are schoolteachers, lawyers and other professional men and women who are forsaking or supplementing their customary employment for the duration. Among the part-time war workers, too, are insurance salesmen—who obviously have a great advantage in capitalizing on the growing insurance market.

Industrial Agents' Advantage

In daily contact with the very people whom full-time agents find it so difficult to reach, they have an unusual opportunity to acquaint their fellow-workers

Man of highest integrity, ability and successful life insurance experience desires to make a change. Now employed as executive. Knows how to build agencies and get results. Interested in Agency Department at Home Office, or will consider Florida agency. Address Q-36, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Life Insurance General Agent

for established agency. Legal Reserve Company. Territory Wayne County Michigan. Liberal commission and expense allowance. Address Q-41, care The National Underwriter, 175 W. Jackson Blvd.

with the value of insurance purchases, both as a means of personal security and as a weapon in the national battle against inflation.

For agents outside the factories, the main difficulty is making contact with potential insurance purchasers, and here the advantage lies with the industrial rather than the ordinary companies. The agent for the former companies gets his entree through the worker's family, instead of through the industrial plant. Covering certain streets or blocks in regular canvass, he is at an advantage in reaching the war worker group. Location of so many of Hartford's factory employees in the several local housing projects facilitates these initial contacts.

For years the industrial agent has cultivated the friendship of factory workers, who have been enabled to keep up small policies during bad times. Many a defense worker who formerly earned \$30 a week, and was barely able to meet the premiums on a policy, now is making two or three times as much, and is adjusting his life insurance accordingly.

Report Excellent Sales

Hartford's industrial offices consequently report excellent sales, which make this one of their best years, although they are unable for the most part to say definitely what proportion of their increased business is composed of sales to newly-rich defense workers. One leading agency, however, reports that sales are running 60 percent ahead of a year ago, and estimates that employees of local war plants are making half again as many purchases as are the "white collar workers," whose financial position in these days of war is not particularly sturdy.

Some of the factory workers are said to be reinstating policies which had been allowed to lapse in the less prosperous days, and some, not reached by any of the agents in the course of their regular rounds, have even come into the insurance offices to take out policies.

Difficult to Reach

But it is not always as simple as this. Many of the ordinary insurance offices report that the defense workers as a whole are the most difficult people to reach, as their hours of work are irregular, varying even from week to week in some cases—and these companies haven't the facilities for reaching them that the industrial offices have.

Moreover, some of those approached on the subject have no interest in insurance, preferring to spend their money on commodities which offer a more immediate and more tangible return. Some have even said that they came to town with no money, and expect to leave with the same financial status after the war boom is over. This group, probably a relatively small one, looks on its present employment as merely a heyday.

By and large, however, the defense worker is receptive to the idea of insurance when it is broached, and after taking out a policy of his own, is very apt to pass on pertinent information and advice about what is available to his fellows. By this "chain" method many of the agents' contacts are made.

Presumably the difficulties in reaching prospects will thus increasingly be overcome, and with further decreases in the commodities for which defense workers can spend their money, sales of insurance will continue to rise correspondingly.

Rules on Assessment Rates

AUSTIN, TEX.—The Texas attorney-general has ruled that mutual assessment companies do not have the authority to reduce benefits under policies already issued; that they have the right to make a reasonable increase in rates charged and the policyholder must pay the increased rates for the benefits stated in the policies. If a particular policyholder prefers not to pay the increased rate, he may legally be offered and accept a policy at the same rate for a reduced benefit. In this latter case, it must be clear that the policyholder has been offered the

Members of Women's \$250,000 Round Table

A list of qualified members of the Quarter Million Dollar Round Table of the National Association of Life Underwriters has been issued, and Mrs. Martha W. Allin, Minneapolis, chairman of the round table, has appointed the following as members of the nominating committee for next year: Sara Frances Jones, Chicago; Mrs. Lillian Oliver, Atlanta, Tex.; Mrs. Irene Monfort, Cincinnati; Mrs. Dorothy S. Briggs, Springfield, Mass., and Mrs. Allin.

The 19 qualified members of the round table have written \$4,380,264 of business, excluding pension trust volume. Following are the members:

Qualifying: Miss Charity Kennedy, Pacific Mutual, Indianapolis; Mrs. Hannah

same benefit at an increased rate and through his own choice he selects the decreased benefits at the same rate.

The present law on mutual assessment companies requires that valid claims against such companies be paid within 60 days of the time proofs are filed.

I. Morewitz, Lincoln National, Norfolk, Va.; Mrs. Esther D. Pincus, Lincoln National, Norfolk; Mrs. Matilda Wells, Prudential, Detroit; Miss Kathleen Runnells, New York Life, Norfolk; Mrs. Genevieve Wernicke, Equitable Society, Cincinnati; Mrs. Curtis Fray, Equitable Society, Kansas City; Mrs. Rae C. Levy, John Hancock, Dallas; Mrs. Irene P. Monfort, Union Central, Cincinnati; Mrs. Zelma Fisher, New York Life, St. Louis.

Life qualifying: Mrs. Muriel F. Briggs, Southland Life, Dallas; Miss Sara F. Jones, Equitable Society, Chicago; Mrs. Lillian L. Joseph, Home Life, New York City; Miss Elsie Matthews, Connecticut Mutual, Newark; Miss Anne Miller, Country Life, Peoria, Ill.; Mrs. Rose Krohngold, Lincoln National, Cleveland; Mrs. Deborah Lewin, Equitable Society, Los Angeles; Miss Corrine V. Loomis, John Hancock Mutual, Boston; Miss Helen M. Zepp, Equitable Society, Chicago.

Renewing life: Mrs. Martha Allin, Connecticut Mutual, Minneapolis; Mrs. G. A. Ralls, Minnesota Mutual, Houston; Miss Agnes M. Bruder, Equitable Society, Chicago; Mrs. Edna G. Duschness, Massachusetts Mutual, New York City; Miss Helen Rockwell, National Life of Vermont, Cleveland; Mrs. Berenice Meiströff, Guardian Life, Kansas City; Mrs. Arley G. Cassidy, Equitable Society, Huntington, Pa.; Mrs. Dorothy S. Briggs, National Life of Vermont, New York City; Mrs. Lillian Oliver, Security Life & Accident, Atlanta, Tex.; Mrs. Bessie Dale, Kansas City Life, Lawton, Okla.; Mrs. Eunice C. Bush, Mutual Life of N. Y., Baton Rouge, La.; Mrs. Mildred P. Miller, Penn Mutual, Kansas City; Mrs. Mabel Earl, Equitable Society, New York City; Miss Clara L. McBreen, Equitable Society, Cincinnati.

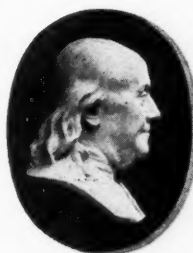


WELL, WHAT IS AT THE End of the Rainbow?

In the fairy tales there's always a pot of gold. But since gold is no longer legal tender, what good is a pot of it?

For scores of veteran Franklin representatives there has been something far more satisfying than a mere pot of gold. At the end of their rainbows there are homes of their own (without a mortgage) educations for their children (paid for) and a nice balance in the bank (cash), not to speak of ample insurance programs for their wives or for their own old age. Yes, and a lot of War Bonds, too!

If you yearn for a modern rainbow, with its pot of gold translated into all these dreams-come-true, inquire about a Franklin Direct-with-the-Home Office contract. Don't just be jealous of these Franklin men—and their rainbows.



The Friendly

**FRANKLIN
LIFE INSURANCE
COMPANY**

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Insurance in Force Exceeds \$230,000,000.00

EDITORIAL COMMENT

"Family Group" Life Insurance

OPERATIONS of the rapidly mushrooming concerns selling "family group" life insurance should be cleaned up at once by the insurance departments of their home states not only as a matter of protecting the public from thinking it has bought protection that it hasn't but for the sake of the future of state insurance supervision.

These family group outfits sell what appears on the surface to be a tremendous bargain in life insurance coverage, protecting the entire family and requiring no medical examination. But when the mail-order buyers begin to learn what they have really bought there is certain to be a widespread wave of resentment on which a movement for federal supervision of insurance could ride to consummation. The fact that insurance commissioners in most states would like to curb these family group outfits but are powerless to do anything except try to persuade the home-state department to take action makes all too good a talking point for the advocates of federal supervision.

"Up to \$3,000 coverage for \$1 a month" sounds like a new low in life insurance cost. But for \$3,000 to be payable the entire family insured would have to be wiped out in an accident in a public conveyance. But suppose the elderly grandfather in a family group of 10 were to die of natural causes. The bereaved family would receive the munificent death benefit of \$10. The death benefit payable on the death of any individual is prorated according to the number in the family group and the individual benefit is scaled down according to the dece-

dent's age. Thus, though there is an advertised coverage of \$1,000 for natural deaths for the entire family group the scaling down according to age makes it impossible for there to be a full \$1,000 paid except in the unusual circumstance of all members of the group being between age 20 and age 40.

One of these family group concerns wrote more than \$7,000,000 last year and had slightly less than that figure in force at the end of the year. Its cash income for the year was something in excess of \$50,000 but its entire admitted assets at the year-end were substantially less than the cash income figure—and its claim payments for the entire year were less than \$200. Maybe that's the way to run a life insurance company but even the most carping critics of regular life insurance don't seem to think so.

Insurance departments of states in which such companies are not licensed have received many letters from recipients of the gaudy direct-mail advertising which the family group outfits feature. Most of the writers like the idea of a bargain in life insurance but realize that the price is extremely low and suspect there may be a catch somewhere. While the insurance departments which receive these letters can direct attention to angles usually overlooked by the prospects, such as the sound-health warranty, the prorating of benefits among the family group and the drastic scaling down of benefits at the older ages, there is no way of reaching the thousands of recipients who do not take the precaution of writing their insurance departments.

Importance of Conventions Recognized

WHETHER or not to hold their usual conventions and business conferences has been a real problem for many companies and associations to decide, in view of the reports about traveling difficulties, travel priorities, shortages in hotel accommodations, and particularly the attitude of the federal government's Office of Defense Transportation. A recent bulletin issued by the American Management Association which holds many business conferences throughout the year—among the most important of which is its insurance conference—throws some interesting light on the standards which the Office of Defense Transportation is applying in deciding whether to give any proposed convention its sanction or veto.

The American Management Association

contemplates no curtailment of its regular conference schedule, a decision which has been reached following discussions among the association's officers and consultations with the office of defense transportation, hotels in key cities, and railroad companies. The fact that A. M. A. meetings are not held for social or entertainment purposes but are devoted almost entirely to managerial problems of war production places them in a category of meetings of which the ODT approves, the bulletin points out.

Many phases of insurance are quite directly related to the war effort or to minimizing the effect of war's disruption on important phases of civilian life. Evidently, to the extent that conferences stick to business and that business has a bearing on the war effort, no one need

feel guilty about traveling to and from such conferences. Furthermore, as the bulletin points out, despite reports that the army is taking over various hotels the government knows that sufficient hotel space must be left to accommodate legitimate

business travel, though it is important to make hotel reservations as far in advance as possible. Also because of the heavy burden on the railroads lower berths and staterooms will not always be obtainable and as with hotels reservations must be made well in advance.

PERSONAL SIDE OF THE BUSINESS

Charles F. Howell, veteran and distinguished editor of the "Weekly Underwriter" of New York, suffered a severe attack last week at his home, 129 Columbia Heights, Brooklyn, and is still in a serious condition. He is confined to his bed. Mr. Howell is one of the oldest insurance editors in point of service. At one time he was editor of the old "Argus" in Chicago. From Chicago he went to New York purchasing the "Insurance & Commercial Magazine" in 1900. He became managing editor of the "Weekly Underwriter" in 1918 and editor in 1926. Aside from his insurance editorial and news work he is the author of three or four travel books. Mr. Howell is one of the enthusiastic alumni of Princeton University, he now being vice-president of his class organization. He is the foremost ocean-marine insurance news man and commentator in the trade journal field.

His friends will be pleased to learn that he is making satisfactory progress toward recovery.

L. W. Basham, 71, Des Moines agent for Penn Mutual Life, suffered a fractured right leg when he fell on the sidewalk near his home.

C. E. Bratten, supervisor of the Equitable Society of Dayton, O., celebrated with Mrs. Bratten their golden wedding anniversary surrounded by 25 members of their family. All their eight children were present except a son who is in the government service at Washington. Four of their 17 grandchildren were unable to attend. Mr. Bratten became associated with the Equitable in 1915 and has written more than \$15,000,000 of life insurance a considerable portion of which is group. He entered the life insurance business in middle life after being a school man. He is now 74 years of age and is one of the largest life insurance writers in Dayton.

A farewell luncheon was held in Newark in honor of **J. A. Krieg**, who has been advanced to assistant manager of John Hancock at Jersey City. L. P. Stevens, home office supervisor, was speaker.

William S. Vogel, general agent at Newark for Columbian National Life, is the first to qualify for the company's "Star Producers' Club" and becomes club secretary for 1942-1943. He also won permanent possession of the "Victory Trophy."

By appointment of the Federal Reserve Bank of Chicago, **Ernest Palmer** of Springfield, former insurance director of Illinois, was named general chairman for Sangamon and Christian counties in Illinois for the sale of the Treasury's 2½ percent "tap" issue.

Miss Mildred F. Stone, who was the first woman to become an officer of the Mutual Benefit Life at the home office,

eight years ago, is busy on a handbook for insurance women which will be ready for distribution in October. She is the author of a 92-page book, "A Short History of Life Insurance." She is agency field secretary, a C.L.U., and holds a certificate in "Agency Management."

Kenney E. Williamson, of the Reuling & Williamson agency of Massachusetts Mutual Life in Peoria, Ill., has been recommended by a committee of Illinois Democrats as a candidate for University of Illinois trustee. The party convention will be held at Springfield next month. He was a trustee about 1½ years.

Arthur A. Fisk, retired advertising manager of Prudential, has now left the Medical College Hospital in Richmond and is recuperating in New England from a broken leg that was suffered in an accident at Virginia Beach.

Ernest C. Hoy, Chicago manager of Sun Life of Canada, is on a combination business and vacation trip in the upper peninsula of Michigan.

President Asa V. Call of Pacific Mutual Life has been appointed chairman of the committee on post-war economics of the California state chamber of commerce.

J. P. Lyons, advertising manager of Manufacturers Life, Toronto, is back at his desk, fully recovered from a recent serious operation.

DEATHS

John P. Lally, assistant secretary and assistant actuary of the Home Life of Philadelphia, died in Fitzgerald-Mercy Hospital, Darby, Pa., after a brief illness. Mr. Lally had been with Home Life for more than 34 years. He entered its service in 1908 as cashier at Wilmington, Del. In 1910 he was placed in charge of the industrial department. When the executive offices were established in Philadelphia, Mr. Lally was transferred to the actuarial department, of which he later became manager. In 1925 he was appointed assistant actuary, and in 1941 he was elected assistant secretary.

Henry Dickens, 87, veteran of nearly 51 years with Union Central Life, died at Pensacola, Fla., while visiting his son. He was one of the oldest agents in the country and dean of the Judd C. Benson agency of Cincinnati. Born in England, Mr. Dickens began his life insurance career in 1877. A worker in a shoe factory at the time, he bought his first life insurance policy in that year, and also became a part-time life insurance salesman. In 1878 he became a full-time agent. In 1883 he came to the United States. As depart-

THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704.
EDITORIAL DEPT.: C. M. Cartwright, Editor. Levering Cartwright, Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor, Kenneth Force.

LIFE INSURANCE EDITION

PUBLISHED EVERY FRIDAY

Blvd., CHICAGO. Telephone Wabash 2704.
BUSINESS DEPT.: John F. Wohlgenuth, President. H. J. Burrige, Vice-President and Secretary. John Z. Herschede, Treasurer. W. A. Scanlon, G. C. Roeding, O. E. Schwartz, Associate Managers.



CINCINNATI OFFICE—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner Thorp, Jr., and C. C. Crocker, Vice-Presidents.

NEW YORK OFFICE—123 William St., Tel. Beekman 3-3958. Editorial Dept.—G. A. Watson and R. B. Mitchell, Associate Editors. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

ATLANTA OFFICE—560 Trust Company of Georgia Bldg., Tel. Walnut 5867. E. E. Hess, Resident Manager.

BOSTON OFFICE—944 Park Square Bldg., Telephone Hubbard 8696. R. E. Richman, Vice-President.

DALLAS OFFICE—617 Wilson Bldg., Tel. Riverside 3383. Fred B. Humphrey, Resident Manager.

DES MOINES OFFICE—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

DETROIT OFFICE—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

MINNEAPOLIS OFFICE—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

PHILADELPHIA OFFICE—1127-123 S. Broad Street. Telephone Pennypacker 3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO OFFICE—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

Subscription Price \$3.50 a year (Canada \$4.50). Single Copies, 20 cents. In Combination with The National Underwriter Fire and Casualty, \$6.00 a year (Canada \$8.00). Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under



"We call him 'Old Faithful'—the commission from his new policy always pays for our annual vacation trip."

ment superintendent, he assisted in the training of agents for a life company and in 1891 he entered personal production with Union Central. He was a consistent producer and his policyholders relied upon him as a trusted adviser and friend, and he wrote many generations of the same family.

Mrs. Abbie V. VandeWalker, wife of H. E. VandeWalker, Michigan state manager of Ohio State Life, died at the family home in Ypsilanti after an illness of two years.

Alma D. Katz, 68, who was manager of the Oregon agency of Mutual Life of New York for 33 years until he retired in 1939, died. He was a native of Salt Lake City and in the first war was an aide to the adjutant general for Oregon, Washington, Idaho and Montana.

Thomas Magner, 81, for many years state manager of Metropolitan Life in Burlington, Vt., retiring in 1930 after 40 years service with the company, died there. He served as agent, assistant superintendent and superintendent at Concord and Manchester, N. H., and Rutland, Vt., before going to Burlington as state manager in 1900.

Henry E. Coonley, Chicago real estate man and attorney who for many years until a few years ago had charge of the Berkshire Life's real estate department in Chicago, died at the age of 77. He was the father-in-law of B. C. Howes, Chicago general agent of Berkshire. Mr. Coonley went to Chicago in 1897 where he engaged in the mortgage and real estate business. He was one of the first presidents of the Cook County Real Estate Board and a mem-

ber of the Chicago Plan Commission. He was a graduate of Illinois Wesleyan college and Chicago Kent College of Law.

Millard W. Mack, former Northwestern Mutual general agent at Cincinnati who died at Traverse City, Mich., at the age of 68, retired a number of years ago after having been with the company 40 years. He was a very active man in the Northwestern Mutual organization and conspicuous in the conferences of its general agents. He was the son of William J. Mack, who for a long time was agent of the Northwestern Mutual in Cincinnati. His brother, Max, was appointed general agent in Cincinnati and Millard succeeded him. The present general agent is W. J. Mack, III. A brother, Lawrence, was for some time the leading agent of the Northwestern Mutual in New York City. Another brother, Ralph W. of Cincinnati, is a member of the Northwestern Mutual Half Million Dollar Club.

Wilbur J. Webster, 62, special agent of Central Life of Iowa in Madison, Wis., was instantly killed when his automobile was struck by the North Western streamliner "Capital 400" as it approached the station. Mr. Webster had been with Central Life 30 years, having lived at Madison five years after going from Kenosha, Wis.

Charles B. Crawford, 58, senior vice-president of Washington National, died from a heart attack while visiting his mother at Toccoa, Ga. Mr. Crawford had been in the insurance business about 40 years. Before going with Washington National at about the time of its organization 30 years ago he had been connected with Kentucky Central for a number of years.

He was in charge of the western division of Washington National, was a director and a member of the finance committee. The services were held Monday in Evanston, Ill.

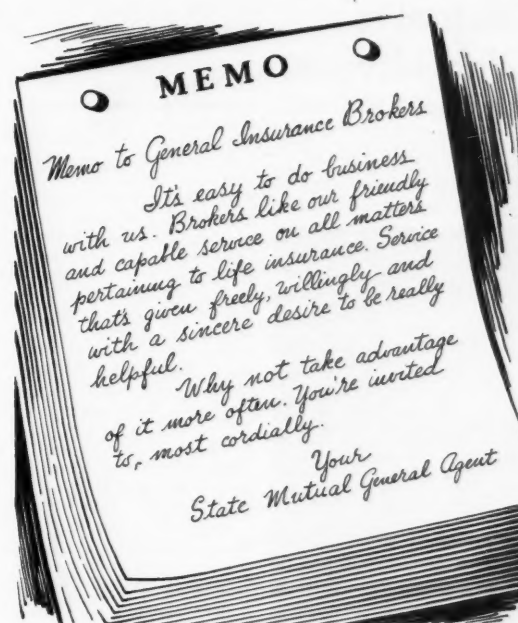
Paul E. Kelly, Cleveland general agent Union Mutual for the past three years, died at St. John's hospital last Sunday after a brief illness. He was 38 years old. Mr. Kelly is survived by his widow and three children.

William F. Moser, 70, with Metropolitan Life for about 25 years, retiring from active work about eight years ago, died at his home in Chattanooga.

SUPERVISOR NEEDED

in successful Chicago Agency of well known company headed by prominent life insurance man. Excellent opportunity awaits successful agent who desires to learn agency building and, through salary, increase income meanwhile. Give age and insurance experience.

Address Q40, The National Underwriter, 175 W. Jackson Blvd, Chicago, Ill.



State Mutual Life Assurance Company
of Worcester, Massachusetts
Incorporated 1844
America's 5th Oldest Life Insurance Company

Manager Wanted

For a Preferred
Michigan Location

Position available with well established company.

Outstanding opportunity for one qualified to assume managerial duties and responsibilities.

Address Box P-99

NATIONAL UNDERWRITER

Chicago, Illinois

NEWS OF THE COMPANIES

Pacific Mutual to Set Up War Service

Pacific Mutual Life has made plans for extension of life insurance service to meet the requirements of war industries and has appointed Floyd W. Forker, sales promotion manager, as head of a division within the home office agency



FLOYD W. FORKER

department to work directly on the problems of war-related organization.

For the past 17 years, Mr. Forker has been associated with Pacific Mutual and since 1937 has directed its promotional activities as well as supervising the publication of the field house organ. With his enlarged responsibilities he will continue to supervise sales promotion.

G. M. Millar, who has been associated with the agency department's promotional work, will assume a larger share in the production of the various company publications.

Report on Reliance Mutual by Ill. Department

The Illinois department has made an examination of the Reliance Mutual Life, 105 West Madison street, Chicago, a mutual legal reserve company, as of Sept. 30, 1941. Its assets at that time were \$718,394, special surplus fund \$24,270, unassigned funds \$150,000. The report says that substantial progress has been made in disposing of real estate holdings especially by contracts for sale and in eliminating defaulted loans from the mortgage loan account. Claims appear to have been settled promptly and in accordance with the policy provisions. The cash account appears to be adequate for current operations and the investment in liquid securities has been increased since the last examination. O. W. Carlson is president. First Assistant Secretary H. O. Carlson is in the army service. N. B. Anderson is second assistant secretary. Its insurance in force at the time of examination was \$4,998,653.

Seek to Reinsure Unity Life of Columbia

The South Carolina supreme court recently handed down a decision that the reserve funds of Unity Life of Columbia, S. C., which has been under the wing of the courts since Jan. 31, 1941, belong to those policyholders who have kept their policies of insurance in force. This decision means that such reserve funds

are exempt from the numerous claims and suits that have been brought against the company.

Unity Life was organized by J. R. Hoile in 1934 under the fraternal benefit association laws. Its charter provides that it may issue so called "contingent endowment" contracts and this was the only type of policy that was issued during the first years. After that Unity Life decided to convert its contingent endowment business into other types of contracts. That action resulted in a number of legal actions being brought by dissatisfied policyholders. As a result the company was taken over by the courts through the appointment of Frank B. Gary, Jr., of Columbia as executive vice-president. At that time an investigation of the company was made by the court and much consideration has been given to the protection of its business.

Those in charge of Unity Life are attempting to reinsure its business. Attorney John Payne of Columbia is representing the executive vice-president.

Buys Building for Home Office

DENVER—Security Life & Accident purchased the former Mountain States Telephone & Telegraph building, a modern, eight-story, fireproof structure, and will occupy it as the home office shortly after Jan. 1. It was entirely a cash transaction. W. Lee Baldwin, president, said confidence in the business and industrial future of Denver and the entire west was the basis for the investment.

Saskatchewan Life hereafter will be known as Fidelity Life. The change has been authorized by the Dominion parliament. Head office will remain in Regina, Sask.

NEW YORK

NEW CAMPAIGN IN BROOKLYN

Brooklyn agents have undertaken to induce firms that are already on the payroll savings plan for war bonds to step up their participation so that 90 percent of the employees will be saving 10 percent of their salary. A meeting at Brooklyn War Savings Headquarters was attended by about 350 agents. Treasury representatives presided and Alfred Johannsen, general agent for Northwestern Mutual, made an address in which he cautioned the group not to undertake this unless they are prepared to turn in their usual 100 percent job.

Ralph Engelsman, Penn Mutual general agent in New York and assistant field director in charge of sales for the War Savings Staff in Washington, gave an illustrative talk on how the plan

could be most effectively put across. The meeting was closed by a talk by Lt. Horace Wilson of the army, who has been instrumental in enrolling a great percentage of the armed forces in the payroll savings plan. Lt. Wilson was in the insurance business during peace times.

EIGHT COMPANIES BUY DEBENTURES

The Southern Bell Telephone & Telegraph Co. has arranged for the sale to eight insurance companies of \$35,000,000 of 2 3/4 percent 30-year debentures at 98 1/2, to yield 2.825 percent. Face amount sold includes: Equitable Society, \$10,000,000; Metropolitan, \$8,000,000; Aetna, \$3,000,000; John Hancock, \$4,000,000; Mutual Benefit, \$2,000,000; Penn Mutual, \$3,000,000; Sun Life, \$3,000,000, and Union Central, \$2,000,000.

ROSENSTEIN AGENCY LEADS AGAIN

For the fifth consecutive year, the A. Rosenstein agency of Equitable Society, New York, is leading all other agencies of the company in that city in paid-for business.

AGENCY NEWS

Omaha Agency at 70-Year Mark

The Omaha agency of Northwestern Mutual Life is celebrating the 70th anniversary of its founding on Sept. 2. Kenneth M. Snyder is the general agent.

Mutual Benefit Detroit Move

Due to the fact the ordinance department has requisitioned the space the C. C. Otto agency of Mutual Benefit Life in Detroit is forced to move from its handsome quarters in the Union Guardian building which it has occupied only since last December. The new offices will be in the Stroh building.

Chicago Agency Has Increase

The Walter W. Grosser and John C. Gregsammer general agency for Guardian Life in Chicago reports a steady gain in paid for business each month since April of an average of about 15 percent each month. The outlook for August is equally good, according to Mr. Grosser. He attributes much of the business to the new "family guardian" policy.

W. C. Jordan, a first year man with the agency, has received notice from the home office that he placed first in the company for first year men in July and ranked sixth in the entire company for the same month.

Indications that the life business should have a good year despite the war come from Mr. Gregsammer, who has just returned from a vacation in Mexico. He reports that most business men feel that the increased national

income should give insurance a healthy future.

James C. McFarland, Cincinnati general agent of Ohio State Life, has completed 400 weeks of consecutive weekly production. He is president of the Cincinnati Chapter of C. L. U.

New Committees Named for Industrial Conference

President F. F. Leith of the Industrial Insurers Conference has appointed his committees. Chairmen are: Attendance, W. B. Clement, Pilot Life; auditing, H. B. Belvin, Home Security; credentials, A. A. Biggio, Liberty National; golf, George Spring, Industrial Life & Health; grievance, W. H. Neely, Standard Life; laws, Harry N. Lukins, Washington National; membership, C. H. Taylor, Home Friendly; program, George R. Kendall, Washington National; public relations, E. H. Speckman, Kentucky Central Life & Accident; reception, C. F. Jordan of the Union Life; resolutions, Bascom Baynes, Home Security; good of the conference, J. R. Leal, Interstate Life & Accident; advisory, H. T. Dobbs, Industrial Life & Health.

New Kentucky Actuary

Ed Wade, former assistant cashier of the Citizens Savings Bank at Paducah, Ky., has been appointed actuary of the Kentucky insurance department. He succeeds Richard Wheat, who resigned to accept naval reserve assignment.

R. Rhodebeck, superintendent of agencies of United States Life, is leaving on an agency trip to the Cuban agency branch at Havana. To accommodate the company's rapidly growing Cuban business, which is supervised by Manager A. H. Winston, Jr., it recently took over a large amount of floor space in one of Havana's modern office buildings.



This is the third in a series illustrating the unique features that make Central Life policies easy to sell.

What? My Policy Can Be Paid Up in 13 Years?

Yes, and that's not the only advantage. A highly flexible policy, the—

GUARANTEED INVESTMENT CONTRACT

also offers (subject to terms of actual policy, of course) such features and options as—
Current Income: 20 increasing coupons that, cashed yearly, yield return of over 25% of premiums; or at end of 20 years—

Life Income (Beginning at Once).

Endowment for More than Face. \$1569 Paid Up Insurance per \$1000 of Face Value. Face Value Paid Up PLUS Endowment.

No wonder Central Life men are finding GUARANTEED INVESTMENT a very salable policy under today's peculiar conditions. We shall be glad to give exact details of options mentioned to insurance men interested in agency opportunities with a 37 year old company. Write to—

Alfred MacArthur, President

CENTRAL LIFE

Insurance Company of Illinois
211 West Wacker Drive, Chicago, Ill.

..NOW IN OUR 63rd Year WITH THE GREATEST GAIN IN OUR HISTORY

Providing all popular policy forms • Liberal dividends • Reasonable premium rates • Licensed in 21 states including New York • Lutheran Mutual invites your inquiry • Investigate today.

THE ONLY LEGAL RESERVE LIFE INSURANCE
COMPANY EXCLUSIVELY FOR LUTHERANS



LUTHERAN MUTUAL LIFE INSURANCE COMPANY
HOME OFFICE . . . WAVERLY, IOWA

LIFE AGENCY CHANGES

Atlantic Life Makes Appointments

Atlantic Life announces the appointment of a new state manager for Maryland, a new manager at Florence, S. C., and a new state supervisor for South Carolina.

Clayton Demarest, who has been general agent in Baltimore for 18 years, is appointed Maryland state manager. C. A. Howard, who formerly was a life insurance man but lately has been in the automobile business, is the manager at Florence and Frank Van Keuren, who has been an Atlantic Life general agent, is the state supervisor for South Carolina.

Mr. Demarest graduated from United States Naval Academy in 1918 and after several years in the merchant marine and ship building fields he entered the life insurance business. He is a C. L. U. and holds a certificate on agency management. For the past 10 years he has been a C.L.U. instructor at the Baltimore Institute of Life Underwriting. He has also been an instructor in salesmanship at Baltimore College of Commerce. He was at one time chairman of the executive committee of the Baltimore Life Underwriters Association, president Baltimore C.L.U. chapter and secretary of the Baltimore branch of the Naval Academy Alumni Association.

Mr. Howard at one time represented Jefferson Standard Life in Florence and later in Richmond, Va., and then was Virginia state manager for Acacia Mutual Life. Then he returned to Florence for Pan-American Life and for the last several years has been with the Hunter Motor Company.

Mr. Van Keuren has been with Atlantic Life for six years as personal producer, special agent, supervisor and general agent.

Spencer Associate Manager of Woods Agency

L. A. Spencer has been appointed associate agency manager of the Woods Agency of Equitable Society at Youngstown, O. L. E. Webber becomes unit manager, representing the company in Columbiana, Mahoning and Trumbull counties, Ohio, and Lawrence and Mercer counties, Pennsylvania. Mr. Spencer, a national leader among Equitable agents, has been with the company for 25 years and with the Woods agency for about 15 years, operating in the Youngstown area.

Sun Life Veteran Retires

A. O. Miron, manager of the Montreal Cartier branch of Sun Life of Canada has

Named at Memphis

F. Richard Russell, the new general agent for Aetna Life at Memphis, succeeds Thomas P. McCormack, who has received a captain's commission in the army.



F. R. Russell

A graduate of the University of Pennsylvania, Mr. Russell is being transferred from Miami, where he has been assistant general agent to Charles Mann, general agent in Jacksonville. He has had successful experience in personal production and in recruiting, training and supervisory work, together with broad and successful business experience prior to entering the life insurance business.

retired after serving the company for 35 years. Before taking that post he was successively inspector and manager of the French section of the eastern Ontario agency force.

Boalt is Fidelity Mutual Manager in Nashville

Edward A. Boalt has been appointed manager for Fidelity Mutual Life in Nashville, with offices in the Warner building.

Since 1938, Mr. Boalt has represented Penn Mutual in Nashville, having for six years previously been connected with New England Mutual. He is a native of Ohio and attended the University of Cincinnati with the intention of becoming an engineer but turned instead to business. For six years he was a superintendent of a tobacco company in his home city and then spent six more years as president and manager of a paint company before entering the life insurance business. He is a Chartered Life Underwriter.

Greiner District Manager

D. Z. Greiner, for the last three years special agent of Northwestern National Life at Toledo has been appointed East Toledo district manager. George Poulson is general agent. Mr. Greiner will be manager of the life department of the Corns Insurance Agency.

Innes with Travelers in Wis.

James S. Innes has joined Travelers as field assistant in the life department in Milwaukee. He has been connected with the Peterson-Loefer Company of Milwaukee and attended the University of Wisconsin.

Franklin Names Ernst in Wichita

Lyle Ernst, for 17 years in the life insurance business in Kansas, has been appointed general agent in Wichita by Franklin Life.

After six-months training period at the home offices of Massachusetts Mutual, Peter H. Hackleman, son of the late Ward H. Hackleman, who was general agent 1916-1934, has joined the Indianapolis agency.

Frank W. Drake, Birmingham general agent of Massachusetts Mutual Life, has lost seven men to the armed services and two of these have been

killed in action. Captain George Williams lost his life in the Philippines and Ensign John Quincy Roberts, a dive bomber, recently was killed.

ACCIDENT

Great-West Broadening Its Accident Coverage

Great-West is expanding its accident and health service throughout the United States and Canada by a number of liberalizations in coverage, it was explained in Chicago this week by Gordon Cantelon, agency supervisor in charge of the accident and health department at the head office, at a meeting of the Earl M. Schwemm agency in Chicago. Mr. Cantelon is on a tour of the country visiting the United States branches, announcing the details of the changes.

Great-West is increasing the accident coverage to take in the more hazardous occupations including all skilled workers, farmers, etc. Previously this coverage was limited to classifications A to D* but it is extending the coverage to classes A to H, inclusive.

The company also now for the first time is offering non-occupational accident coverage with special appeal to workers in war production factories because the extreme hazards under which many of them work make the cost of all-inclusive accident insurance too high.

Great-West also is extending its accident coverage to juveniles down to and including age five. The coverage thus provided is reimbursement and principal sum.

Great Northern to Raise Rates On Eye Coverage

On Sept. 1 Great Northern Life will increase its rates for eye insurance about 20 percent. Great Northern is the only company in the insurance field that sells a special eyesight policy. It has sold this policy for nine years, during which time the experience has been very favorable.

The company formerly sold a policy covering loss of sight in only one eye, but the poor experience and number of false claims made it decide to abandon the old form. The new contract was originated by one of its field men, E. L. Griffith, and it covers loss of eyesight in both eyes of 90 percent or more before claims are paid.

As such a policy appeals chiefly to per-

sons who do strenuous work with their eyes, such as authors, research scientists, lawyers and other professional people, Mr. Griffith is the only company man who has specialized in its sale. He has written upwards of \$130,000 on this coverage alone. The present reserve is \$80,000.

Cover Ages from 6 Months to 65

The Great Northern policy covers anyone from age six months to age 65 who has no progressive eye defects at time of issuance, and will pay for loss of vision in both eyes from any cause. The rates as of Aug. 1, to which should be added about 20 percent effective Sept. 1, are: From age six months to age 30, paying \$200 monthly for life, \$200; from 30 to 50, \$250; from 50 to 65, \$300. Policies providing \$100 monthly indemnity are written at half the premium for the above. The company reserves the right to offer eye surgery before claims are paid.

The eye coverage policy is a one-premium form which may be paid annually, in 10 consecutive equal monthly payments, or in 10 consecutive quarterly payments. On the latter plan an additional final payment of 5 percent of premium is collected. The rates for both men and women are the same.

War on Waste Campaign Saves for State Farm Group

The State Farm group, State Farm Fire, State Farm Mutual Automobile, and State Farm Life, has been conducting a "war on waste" campaign at its home offices in Bloomington, Ill. One phase of the program was to clean out desks, drawers, and files, and return any surplus material to the stock room for inventory and redistribution. This resulted in the restocking of \$3,000 worth of supplies.



The campaign was introduced by a "teaser" approach. Employees are kept informed of the progress of the campaign and offered prizes for suggestions to increase efficiency, conserve material, cut power, telephone, telegraph, mail and other costs, etc. The campaign will be carried on for some time.

A committee under the direction of G. E. Mecherle, secretary and director of personnel, is handling the program.

Mutual Increases "Tap" Purchase

Mutual Life has subscribed to an additional \$10,000,000 principal amount of the 2½ percent Treasury "tap" issue. This additional subscription brings to \$80,000,000 the company's total subscription to this issue.

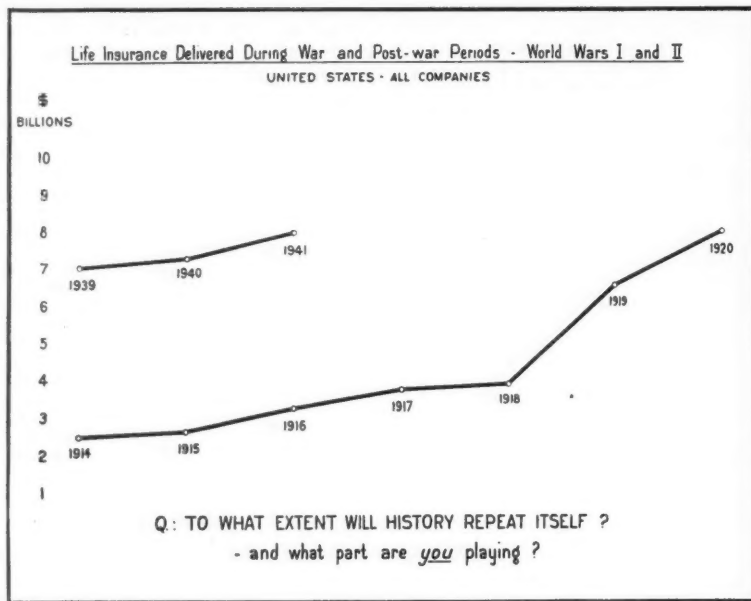
Our Seventy-fifth Anniversary Year

1867   1942

EQUITABLE LIFE OF IOWA

HOME OFFICE • DES MOINES

Distributes Optimistic Material



American life insurance companies in the first 15 weeks this year put \$568,000,000 into government bonds, a sum sufficient to build 4,000 fighter planes, 180 heavy bombers, 380 light bombers and 390 torpedo bombers, Massachusetts Mutual Life declares in an attractive pamphlet being distributed to policyholders. It is entitled "Your Premium Dollars Are Helping to Win the War."

The company also has prepared a graphic chart, shown herewith, comparing life insurance sales in the first world war and the present one so far. The chart presents a very optimistic picture for life agents and is being sent to general agents by C. O. Fischer, agency vice-president, to be used as a means of encouraging and motivating agents.

The pamphlet relates:

Individual's Share Is \$120

On June 1st of this year, each of America's 66 million policyholders owned, through his policies, an average of \$120 in government bonds, an aggregate of 7 billion 900 million dollars... and this huge figure is steadily increasing.

Yet that is not all. America's railroads, the electric light and power industry, and the communications systems, for example, are as essential to the war program as our brave fighting men and the munitions they use, because there could be no effective war effort without these facilities.

It is, therefore, of the utmost significance that the policyholders of American life insurance companies, through their policies, have many billions of dollars invested in these vital industries.

Says Dollars Are Fighting

As a patriotic American and a Massachusetts Mutual policyholder, you may well take pride in the knowledge that the dollars you are investing in your life insurance are fighting on many fronts:

1. They protect the solvency of your home and family.
2. Helping to win the war, they protect America and the American way of life.
3. They help to curb inflation—for it is the dollars which go to market, not those saved, which contribute to inflationary tendencies.
4. The life insurance dollars of the nation will provide an emergency backlog to help individuals' families meet the economic problems which must inevitably follow the war.
5. And we must remember that it would be a sorry service to our government to add to its present and post-war problems the job of taking care of families left without the assurance of adequate income.

The significance of this is illustrated

by the fact that in 1941, life insurance payments to beneficiaries and policyholders amounted to over two and a half billion dollars... an average of nearly seven million dollars a day.

Owning adequate life insurance is evidence of farseeing patriotism and good judgment.

Special Tax Bond Reported Planned

(CONTINUED FROM PAGE 1)

issues of THE NATIONAL UNDERWRITER and this week in his legislative report presented in considerable detail at the National association meeting in Chicago. He said life insurance leaders fear it is going to be almost impossible for the 65,000,000 policyholders to pay for war bonds, higher taxes and more for living, and also to maintain their insurance premiums. Some relief should be given for payment of life insurance premiums, debt retirement and war bond buying.

"In other words," Senator George said, "you would like a deduction from net taxable income for life insurance premiums, up to a certain limit. I think your idea is very sound, and should be embodied in the law."

"I am in thorough agreement with the principle," said Senator Vandenberg of Michigan, "but it seems to me that we also would have to consider those who do not have life insurance premiums to pay."

The witness expressed his opposition to elimination of the \$40,000 life insurance exemption, as such, from the estate tax.

"Instead of combining \$40,000 life insurance and \$40,000 additional in a single exemption of \$80,000," he said, "we feel that the present provisions of the laws should be retained."

"Insurance is an investment," said

Major Parsons Is Honored on Leaving for Foreign Duty

The Bruce Parsons agency of Mutual Benefit Life in Chicago has completed its fifth fiscal year with exactly \$8,815,999 paid for, an increase of about \$2,000,000. Major Bruce Parsons who was called to service in April, attached to 6th corps area headquarters in Chicago, has just left for foreign service. The agency continues to rank first among the company's 68 agencies. Mrs. Parsons left with her husband for the east where she will remain with him until his sailing date.



Bruce Parsons

During his absence the agency will continue to be managed by James F. Ramsey, director Chicago Association of Life Underwriters, who is a C.L.U., and Edward C. and Ervin D. Hintzpeter, who have charge of the branch office.

Conduct "Monkey Barrel" Contest

A six-week "Monkey Barrel" contest with defense stamps and war bonds as prizes is being conducted, to be followed by an all day outing. Usually the agents are hosts and the general agent is their guest, but this year because of Major Parsons' war duties, and tire rationing, they gave him a testimonial dinner party and evening of fun. The agents paid tribute to the company, agency and management. Major Parsons responded, expressing confidence there always will be a Mutual Benefit and a Parsons agency, even though many members may be called to the colors. So far, 12 members are in service or defense industries. Besides Major Parsons, these include First Lieutenants J. C. Beechley and R. K. Clark, Lieutenant Arthur E. Corydon, junior grade; Ensigns J. E. Hartung and C. W. Miller.

Major Parsons' Views

"With the national emergency now existing, each of us must determine how he may best serve our national government, then act positively in that direction," Major Parsons said. "The absolutely minimum requirements of our dependents are a patriotic consideration in any conclusion to which we can arrive. Paramount, however, is the obvious fact that we must win the war, else we will have no free, luxurious economic life hereafter, no freedom to say when or where we will work, or how we will write, speak or worship."

"Life insurance salesmen have an opportunity not paralleled by any other class of non-combatants. We are the most successful stimulators of thrift in the entire world. Today our govern-

Senator Bailey of North Carolina. "If we exempt that form of investment, it seems to me we would have to open the law to exempt other forms of investment as well."

Illinois Association Names Standing Committees

Standing committees of the Illinois Association of Life Underwriters to serve until June 30, 1943, were appointed by F. A. Schnell, Peoria, president. The chairmen are:

Convention program and sales congress, J. M. Royer, Penn Mutual, Chicago; membership, F. A. Schnell; education, Earl M. Schwemm, Great-West Life, Chicago; extension, J. M. Clark, John Hancock, Peoria; legislation, John L. Taylor, Mutual, N. Y., Springfield; finance, A. E. McKeough, Occidental, Cal., Chicago; publicity, J. D. Dill, Carbondale.

"Under this year's program, we want the state association to work with the locals and give them every bit of assistance and cooperation possible to the end that they will be strengthened," Mr. Schnell said. "I feel it will materially aid our plans if each association has its own program drawn up, in black and white, so that all have the advantage of a definite plan of action to follow."

Iowa Approves War Clause

The Iowa department has approved the new uniform war clause recently submitted by the National Association of Insurance Commissioners. The new clause is similar to those approved previously by the Iowa department.

ment wants thrift to the end that metals, fabrics and oils may be conserved for tanks, planes and ships; our people protected against extremes in prices now and after the war is finished.

"An adequate life insurance program helps immensely to maintain the morale of both civilians and soldiers; hence this is a direct and worthy challenge to our best efforts, and one to which I am certain all members of the life insurance field will respond wholeheartedly. I have every confidence in the institution of life insurance and in the American way of life; they must and will survive."

James Crowley and Lawrence Crump were toastmasters and prizes were awarded to Lawrence Crump, Milton Rutstein, Waldo Thorsen and Rollo Turney.

Which Way

WILL THE WIND BLOW?

That's often impossible to predict, just as it's often impossible to predict in advance the policy that will best meet a prospect's requirements. But American United Life agents are fortunate in having a complete line of participating and non-participating plans to fit any situation—no matter how the wind blows. And they're fortunate, too, because they enjoy large renewal commissions during the early years of each contract. Write for details.

(FOR VICTORY Buy U.S. War Savings Bonds and Stamps)

AMERICAN UNITED LIFE INS. CO.
INDIANAPOLIS, INDIANA

Everyone Likes "Insurance That Is Different"

Policy holders enjoy the advantages of "Perfect Protection"—Occidental's exclusive feature that pays disability from the first day, irrespective of cause. Needless to say, Occidental field men have an added feature to offer prospects. Thus, everyone is happy.

Occidental Life

INSURANCE COMPANY

Laurence F. Lee, President RALEIGH, NORTH CAROLINA

Association Makes Its Mark in Legislative Field

Committee Report Shows Significance of Activity On Washington Front

In the past year the National Association of Life Underwriters has weathered what will probably prove to be the most strenuous legislative program it has undertaken in its 53 years, John A. Witherspoon, president of the association, stated in his report of the committee on federal law and legislation to the national council in Chicago.

It has been the first time in the history of the association that the full strength of the 30,000 members has been mobilized in a legislative battle, he said, and while the outcome is still uncertain, the work and support of members was magnificent.

Policyholders' Interests Guarded

The interests of companies and of the business were secondary to those of the millions of policyholders, in the legislative effort, Mr. Witherspoon said. Government officials, congressmen and senators received the life insurance people with the utmost courtesy and consideration. They did not always agree with the life insurance people, but their attitude expressed sincerity and consideration.

Reviews Year's Developments

Mr. Witherspoon reviewed the work of the committee and the various legislative developments of the year in considerable detail. It has been an extremely important year on the legislative front, and the National association has done its biggest job in presenting its ideas to the government and the people. In this task it had the help of members and thousands of policyholders. It also received the help of other organizations in matters in which they were interested, including the U. S. Chamber of Commerce, Roswell Magill, former under-secretary of the Treasury, American Bar Association, American Federation of Labor, American Medical Association, National Association of Manufacturers, and others. Support was received from influential columnists on some of the major points such as the \$40,000 exclusion and the proposal that some relief be given policyholders in the form of a deduction from income tax for life insurance premiums paid.

Still Hope on \$40,000 Exemption

The Treasury proposal for elimination of the \$40,000 special exclusion of life insurance proceeds from estate tax and a bulking of that exclusion and the \$40,000 general exclusion into one general exclusion of \$60,000 will, Mr. Witherspoon believes, meet defeat in the Senate with the special exclusion being retained.

The Treasury has recommended an amendment to make it clear that in the event of death, whereas deferred first year and renewal commissions would be commuted and subject to the federal estate tax, they would not be subject to income taxes until and as they are received by the estate or heirs or legatees of the deceased. The Treasury also has recommended that this amendment be made retroactive to all open years. The amendment has passed the House and apparently will remain in the bill until it becomes law.

The committee is continuing its objections to the Treasury department ruling 5032, he said.

There were a number of points sub-

Life's Uncertainties Still Here

Field Men Are Confronted with the Same Human Problems as Have Heretofore Existed

Theo. M. Green of Oklahoma City, one of the leading agents for Massachusetts Mutual Life, uses the unpreparedness of the United States for the present war as an argument for the need of individual preparedness.

"We are now witnessing the most tragic example in history of unpreparedness," Mr. Green says. "If the united nations had been prepared as was Germany, there would not be the widespread misery which now spreads to all corners of the globe. Just so are many men unprepared to meet life's most serious problem—the loss of family income."

"Many little children, watching their daddies go away today are asking this question, 'Daddy, when are you coming back?' Many thousands of those daddies are not going to return. Fortunately, the government is providing insurance at low rates for men who go into service. But what about the hundreds of thousands of daddies who are left behind, who may not come home? That is where lies the responsibilities of the life insurance man. Every day in every city men are going to work this morning, many, many thousands of them unprepared—inadequately insured."

Times Are Uncertain

"Times are uncertain. Sure they are, but do you know when they were ever any different? One, two, five, 10, 15 years ago things were uncertain. Things are uncertain and so is man's life on this earth. That is exactly the reason we should not accept uncertainty as an excuse for not buying life insurance but rather the necessity for more adequate protection of the lives and well-being of women and children of this great country of ours. Today men want to buy life insurance but they want to be sold."

"If you have properly selected your

mitted by the treasury department concerning pension and annuity trusts, but the committee was successful in killing or modifying them as a result of its appearance before the ways-and-means committee, he said.

The proposal that there be some reasonable reduction from income tax for life insurance premiums paid aroused more interest in Washington and throughout the country than any other the National association advocated during the year, Mr. Witherspoon stated. So far as is known the National association originated this idea, and the nation's press picked up this part of the testimony and broadcast it from coast to coast. The idea quickly gathered momentum and other groups became interested. The committee has made great headway with this proposal especially during the last two weeks, he said. Hundreds of newspapers have published stories covering the testimony and have written editorials supporting the idea.

Mr. Witherspoon said that the committee has been told that an amendment or an interpretation by the internal revenue department will shortly be presented to bring life insurance agents under the old-age and survivorship provisions of the social security act. There is an interpretation in the memorandum transmitting the new revenue bill to the house which defines the word "employee" as it is used in connection with the withholding tax clauses of the bill. Specific mention is made of an ordinary insurance solicitor and it goes on to state that "collection at this source would be made without regard to the existence of the master and the servant relations between the solicitor and the person withholding inasmuch as the solicitor has no independently established business."

prospect and have gone over what you are going to say to him, and know that you have a proposition that he needs, you are in a fine position to make your sale. You can never become the master over him until you first feel the mastery of knowing that you can convince him, and in order to do that, you must do it first in your own mind. It must be thought out or it never can be wrought out. It must be a mind accomplishment before it can be a material one. Then as never before, your mental attitude must be right. You must think success before you can achieve it. Therefore, you must be positive in your own mind that you are going to sell the prospect before you call on him, and if you are not in that frame of mind, it would be better for you to stay in your office until you do have a positive attitude and feel the power of confidence.

"If you are complaining of uncertain times and bad business, you are on the side of the road, because men of courage are being positive not negative. Our job is a creative job. We create estates through giving information to our clients that we have something that will satisfy their wants and needs so that their families will not be left unprepared. In order to convince our prospects we must be in a positive attitude. Creative principle can not live in a negative, destructive atmosphere. The power to do is largely a question of self-faith, self-confidence—no matter what you undertake, you will never do it until you think you can."

Take Defeatist Attitude

"Suppose you are going to call on a man today, and you say to yourself: 'Well, I will go to call on this fellow, but I know I can't sell him.' What chance would you have to do this man any good? In that frame of mind, you not only have no possibility of selling him, but if he bought, you would not be in a position to give him the service to which he is entitled. Now, contrast that with this feeling when you go out of the office: 'I am going to see Mr. So and So and I am going to fix it so that in case anything should happen to him, his wife and kiddies will have a decent standard of living and not be dependent on relatives. I am going to do the thing I set out to do.' If you have someone in your office, tell him when you leave that you are going to see Mr. So and So, and that you are going to create an estate for him that will pay his family \$100 per month for a certain number of years. If you haven't anyone in your office, tell your wife before you leave home in the morning. You will notice a remarkable difference in your attitude when you do see your prospect."

"In order to be in a condition to fight for your share of the business, you must believe in your ability and be confident that men need life insurance today, just as they did yesterday and just as they will tomorrow and for time eternal. No feeble effort will get the job done today. Roll up your sleeves and go to work. Climb the ladder of success—you can do it. Believe—it can be done and you will do it. Believe—that life insurance is the only plan ever evolved that can immediately prepare a man for that uncertain future—get that uppermost in your mind—and you will convince your prospect and your job is done."

Miss Marian Lora Mills, daughter of Bert N. Mills, secretary of the Bankers Life of Des Moines, and Mrs. Mills, was married at the family home in Des Moines, to R. G. Galenbeck, formerly of Des Moines. The couple will live at McAlester, Okla.

ACTUARIES

CALIFORNIA

Barrett N. Coates Carl E. Herfurth
COATES & HERFURTH
CONSULTING ACTUARIES
582 Market Street 437 S. Hill Street
SAN FRANCISCO LOS ANGELES

ILLINOIS

DONALD F. CAMPBELL
and
DONALD F. CAMPBELL, JR.
Consulting Actuaries and Public Accountants
35 Years of Service
100 North La Salle Street, Chicago, Illinois
Tel. State 1336

WALTER C. GREEN

Consulting Actuary
211 W. Wacker Dr. 333 St. Charles Ave.
Chicago New Orleans
Franklin 2633 Raymond 0947

HARRY S. TRESSEL

Certified Public Accountant and
Actuary
10 S. La Salle St., Chicago
Associates
M. Wolfman, A. A. I. A. Franklin 4098
N. A. Moncoritch, Ph. D.
L. J. Lally

INDIANA

Haight, Davis & Haight, Inc.

Consulting Actuaries
FRANK J. HAIGHT, President
Indianapolis—Omaha

HARRY C. MARVIN

Consulting Actuary
221 E. Ohio Street
INDIANAPOLIS, INDIANA

NEW YORK

Established in 1885 by David Parks Fackler
FACKLER & COMPANY
Consulting Actuary

Edward B. Fackler Robert O. Heiran
8 West 40th Street New York City

Consulting Actuaries
Auditors and Accountants
Wolfe, Corcoran and Linder

110 John Street, New York, N. Y.

PENNSYLVANIA

FRANK M. SPEAKMAN

CONSULTING ACTUARY
Associate
E. P. Higgins
THE BOURSE PHILADELPHIA

TEXAS

GEORGE VAN FLEET

CONSULTING ACTUARY
812 Tribune Tower
AUSTIN, TEXAS

INSURANCE MEN CALLED TO SERVICE

Dr. William G. McLaughry, supreme medical director of Protected Home Circle, Sharon, Pa., has been commissioned as a captain in the medical corps of the army, and is at Camp Adair, Corvallis, Ore. During the first war Dr. McLaughry served in a camp hospital at Bourbonne-les-Bains, France.

He has been medical director of Protected Home Circle and a director since 1934 and previous to that was a resident physician at C. H. Buhl Hospital, Sharon.

The home office club of Protected Home Circle held a farewell luncheon in his honor attended by about 60 officers and members. The vice-president of the club, Miss Janet Houghton, presided, and President S. H. Hadley spoke for the directors and Mrs. Florence Rankin Smith of the new business department for the office employees. Supreme Treasurer Harry G. Moore presented Dr. McLaughry a parting gift.

John L. Flynn, former deputy attorney general of California assigned to duty with the insurance department recently in private practice, has reported for duty at New Orleans as a lieutenant in the navy. In the former war he commanded a mine sweeper in the north Atlantic. He conducted the proceedings for rehabilitation of Pacific Mutual Life.

Four agents of **Security Mutual Life** of Nebraska have entered service: Marvin Marquardt, assigned to submarine detection work in the navy; Arnold Hafenstein, first class seaman at Great Lakes training station; George Olario, army service in the Hawaiian islands, and Verne Anderson, Great Lakes station.

C. Hampton Price, for the past 2½ years agent in Salt Lake City of Penn Mutual Life, and a sergeant in the 115th engineers corps of the Utah national guard, has been called to service as a second lieutenant in the air force fighter command, Orlando, Fla. He will attend the training school of the ground force before assuming active duties. He resigned as a director of the Salt Lake Life Underwriters Association and is succeeded in that office by J. H. Harrop, Equitable Society.

L. M. B. Morrissey, Jr., who has been associated with Phoenix Mutual Life at Davenport, Ia., for the past five years, has enlisted in the army and is now in the reserve officers' training corps. His father is manager of the Davenport agency.

Dr. R. C. Montgomery has been gazetted lieutenant-colonel and appointed commanding officer of No. 1 Neurological Hospital in England. Before the war he was assistant medical officer of Manufacturers Life. When he left to go overseas in 1940 he was a major.

Clarence A. Ross, for the past four years supervisor of the J. Bruce MacWhinney agency of John Hancock in Newark, has entered the navy as lieutenant senior grade. Before leaving he was tendered a luncheon and presented a wrist watch by Mr. MacWhinney. He is a past president of the Life Supervisors Association of Northern New Jersey.

L. L. Gwaltney, Jr., former assistant Alabama superintendent of insurance and recently a traveling examiner of All States Life, has reported to the officers' candidate school at Miami for a period of conditioning before going to a post in Kentucky with rank of first lieutenant.

Frank X. Shields, a leading producer

of the A. V. Ott agency of Equitable Society, New York, and one of the top ranking tennis players of the country, has been commissioned a lieutenant in the navy.

Talmage Smith, assistant general agent of the Merrifield agency of Connecticut Mutual Life at Portland, Ore., has been called into service and is stationed at the provost marshal general school center at Fort Oglethorpe, Ga. He was commissioned in July as a first lieutenant in the military police corps. He was given leave of absence for the duration. Mr. Smith is a veteran of the first world war, having gone overseas as a master sergeant. He participated in two major offensives, and spent six months in the army of occupation in Germany. He has been an officer in reserve since the armistice. Mr. Smith went to Portland from Chicago in 1937. He led the Merrifield agency for number of lives insured for the year to date and was third in paid business.

Joseph Linder, a partner of Wolfe, Corcoran & Linder, consulting actuaries, New York City, has taken leave of absence to enter the armed forces. He has been accepted for officers' training and reported for induction at Camp Dix.

Ray S. McCabe, of the K. A. Luther agency of Aetna Life in New York City, has received a commission as lieutenant, junior grade, in the coast guard.

Gustave Jay, Jr., of Jay & Jay, Newark general agents of Girard Life, has been promoted to master sergeant in the medical section at Fort Dix, N. J.

Emerson Carey, Jr., former general agent of the John Hancock in Denver, has been commissioned a first lieutenant in the air corps. He is stationed at Miami Beach. A home office representative will take over the Denver office until Mr. Carey's return.

George Littlefield of the W. M. Hammond general agency of Aetna Life in Los Angeles has reported to the volunteer officers training school.

Eight members of the **Kellogg Van Winkle** agency of Equitable Society in Los Angeles now are in service: Kellogg Van Winkle, Jr., George Bushnell, John Winters, F. G. Merriam and H. D. Stockey of Los Angeles, Dewey Campbell of San Bernardino and Gordon Clark of Pasadena.

C. J. Macdonald, for a number of years manager of Sun Life of Canada in New Orleans, is now a captain in the marines, having been persuaded to return to active duty by his old commanding officer of the first world war, Russell J. Simpson has been transferred from Indianapolis to New Orleans to succeed Mr. Macdonald.

RECORDS

Equitable Life of Iowa—Reported \$3,853,985 new business written in July and an increase of \$1,055,686 insurance in force.

Total insurance in force was \$627,968,996 and increase for the year to date \$9,248,963. Ray Wernimont, Cedar Rapids, Ia., was leading agent in July

with \$101,051. H. L. Harvey, Kalama-zoo, second, and R. O. Claypoole, Philadelphia, third. The New York City agency of Hoey & Ellison led with \$202,898 in July; Philadelphia, Wallis & Son, second, and F. A. Smart agency, Detroit, third.

Volunteer State Life—Reports a very substantial gain in new paid business for July. In that month the paid volume exceeded that for the same month of 1941 by 24 percent.

Ohio State Life—Gained 29 percent in paid-for business in July over the same month last year, with 36 percent of policies issued in the month taken by women.

ASSOCIATIONS

Splendid Record Made by Ann Arbor Men

ANN ARBOR, MICH.—The life underwriters of Ann Arbor did a grand job in cooperating with the Ann Arbor war bond committee. E. R. Tonkel, assistant general agent Aetna Life, is chairman of the Ann Arbor committee.

Ann Arbor is one of the leading cities in the country in the amount of bonds sold on a per capita basis, with \$5,436,441 of war bonds purchased since the first of the year. The life underwriters have helped to install 72 payroll savings plans in firms in Ann Arbor, with 4,803 employees participating. More than \$85,000 monthly is coming in, and so far \$600,000 has been invested as a result of payroll savings plans installed in Ann Arbor in which the local life men have cooperated.

Those participating are: George E. Amendt, Equitable Society; Warren Cook, New York Life; H. W. Blakney, Mutual Life; Clarence Yates, New York Life; Robert MacKenzie, Massachusetts Mutual; Francis J. Conlin, Provident Mutual; F. B. Ensinger, Home Life, and Max A. Blaess, Continental Assurance.

California Chairman Named

Roy Ray Roberts, State Mutual Life, Los Angeles, has been reappointed chairman of the educational committee of the California Association of Life Underwriters by President H. Kenneth Cassidy, general agent Pacific Mutual, San Francisco. Mr. Roberts is also educational chairman of the National association.

Kellogg Van Winkle, Equitable Society, Los Angeles, has been reappointed chairman of the legislative committee, a post he has filled for several years.

Lincoln, Neb.—Merle Loder, district manager Mutual Life of New York, association president, announced committee chairmen: Program, D. A. Campbell, John Hancock; membership, Harold Dillman, Security Mutual, Neb.; pub-

licity, L. D. Miller, New York Life; national magazines, Ivan J. Childs, Banker's Life, Iowa; educational, Colton Smith, Northwestern Mutual; law and legal, Chester B. Dobbs, C. L. U., Mutual Benefit; cooperation with trusts and banks, John B. Campbell, Massachusetts Mutual; sale of war bonds, W. A. Fraser, Bankers Life, Iowa; constitution and by-laws, Ralph Theisen, C. L. U., Northwestern Mutual; auditing, Don Riley, John Hancock.

Three new committees are appointed. L. Vern Greenwood, Equitable Society, becomes chairman of health crusade movement sponsored by the Institute of Life Insurance. El A. Frerichs, Security Mutual, Neb., was named chairman of a new literary committee to sponsor the writing of sales presentations by members, and also promote articles and papers on "Sales Promotion." Another new committee is the promotion of C. L. U. study for the coming year. This will be headed by O. R. Frey, Bankers Life of Nebraska.

Hartford—C. K. Barrows, Travelers agent, has been named chairman of a "Keep Well Crusade."

Bay City, Mich.—James McCulloch is now president; A. O. Williams, vice-president, and Fred Newmann, secretary.

Winnipeg, Man.—Clifford E. Flook has been elected president. Vice-president is L. E. Wood; treasurer, William Brunning; secretary, H. D. Kobold.

Wayne County, N. C.—E. C. Crow, Jr., Goldsboro, was elected president at a meeting in his city. A. M. Rice is vice-president; Bushnell Andrews, secretary, and M. A. Shaver, treasurer.

Detroit—Results of the salary allotment war bond drive have been so satisfactory that a separate headquarters for this activity has been established in an office donated by the Buhl building management and a clerk employed to handle the details.

This work has been under the direction of the advisory council of the association, made up of past presidents. In the past two weeks it has lined up 7,233 persons on the salary allotment plan on a weekly basis, with bond purchases from this group alone totaling \$58,103 per week.

Correction on G. H. Taggart

In a previous issue Gordon H. Taggart was referred to as general agent of the American National of Galveston for Minnesota. He has not been with the company for two years.

"Exams" in San Francisco Aug. 26

License examinations will be held in San Francisco Aug. 26, for agents and solicitors who received their temporary licenses in April.

R. G. Leuzinger home office agency of Ohio State Life, Columbus, ranked first among all the company's agencies in the United States in July volume; Toledo second and Springfield, O., third. T. B. Morris, Columbus, was first among all agents in volume of July health and accident.

Depew Head, agency supervisor of the H. A. Chipman Agency, Equitable Society, Columbus, O., again qualified as a group millionaire, ranking 13th among the company's 6,000 agents.

TWOFOLD SERVICE BRINGS PROGRESS

Royal Neighbors of America was chartered in 1895 with a membership of 4,124 in 100 camps and insurance in force of \$576,000. Today the Society is one of the leaders in its field, figures of Jan. 1, 1942, showing: Membership, 502,373; camps, 5,967; insurance in force, \$354,739,493; admitted assets, \$84,273,554, and claims paid, \$116,399,691.

This progress is attributable to the Society's principle of twofold service—Protection and Fraternalism. This principle was firmly planted by its founders and has been a guiding light for 47 years.

In Protection and Fraternalism the Society has been alert to progress, offering legal reserve life insurance for the whole family, benefits of camp activities, financial aid from its fraternal fund for needy members and benefits of the Royal Neighbor Home to worthy members.

Protection and Fraternalism is a principle that is diligently guarded by

ROYAL NEIGHBORS OF AMERICA

INSURANCE PLUS FRATERNALISM PROTECTS THE WHOLE FAMILY
SUPREME OFFICE ROCK ISLAND, ILL.

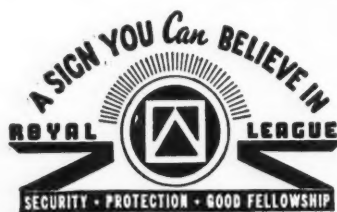
THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller Frances D. Partridge
Supreme President Supreme Secretary

Port Huron, Michigan



A Legal Reserve Fraternal Life Ins. Society
309 W. Jackson Blvd., Chicago

LEGAL RESERVE FRATERNALS

N. F. C. Law Section Program Complete

Henry S. Moser, Chicago insurance attorney, and Edward S. Cummings, Jr., general counsel Catholic Order of Foresters, will deliver papers at the annual meeting of the Law Section of the National Fraternal Congress to be held in the Morrison hotel, Chicago, Sept. 29. This will be during the annual meeting there of N.F.C.

Mr. Moser is a member of the law firm of Sonnenschein, Berkson, Lantmann, Levinson & Morse. He took an important part in preparing the Illinois insurance code adopted several years ago. Mr. Moser will take up an important insurance law subject.

Mr. Cummings is to discuss legal problems involved in life insurance war risks and claims resulting from war service.

President Perrin to Report

The meeting will start at 9:30 a. m. George G. Perrin, general counsel Modern Woodmen, section president, will deliver a message. Secretary-Treasurer Richard F. Allen, general counsel Standard Life, Topeka, will give his annual report.

Reports received from attorneys representing the societies indicate there will be a large attendance at the meeting because of the many serious legal problems created for societies by war and all it entails.

Mr. Cummings is the section vice-president.

Maccabees Production Clubs Show Healthy Increase

Increase in individual production this year over last, shown in the list of qualifiers for Maccabees' "Production Club," is a heartening sign of healthy business conditions, according to John E. Little, field director. Membership in the clubs, based on personal selling records of \$125,000, \$250,000 and \$500,000 and district sales of \$250,000, \$500,000 and \$1,000,000, had a gain of 12 in personal production. There were five less members in the district lists.

Membership in the \$250,000 division jumped from 13 to 19 members, and in the \$125,000 club from 52 to 59. There was one less member in the \$500,000 bracket.

Consistency of production is shown in the roster of the "Five Year Club." Recognition of persistency of field workers' business was begun last year.

Bradshaw Says Speed, Not Economy, Now Watchword

Economy no longer is the watchword of America, but instead it is speed and more speed to deliver to the armed forces the machinery of war which is necessary to save American institutions, De E. Bradshaw, president Woodmen of the World, Omaha, declared in a talk before the Log Rollers Association in Fayetteville, N. C. This group is composed of W. O. W. camps.

"We, and our allies, have lost one battle after another," he said. "We can lose this war and we will if everyone does not do his best to help win it. The enemy does not stop and wait for us to get ready. War is not cheap, but it is a million times cheaper to win than to lose. We should be most serious about this war now."

Mr. Bradshaw warned that isolationists, who are still at work, came near to assuring the fall of democracy. To counteract this subversive element, he suggested we forget our criticisms of men and officials, throw off our coats and help produce whatever is necessary to win. Certain criticisms are made for

the purpose of injuring the United States, he said.

Mr. Bradshaw said he was convinced the men in service will be supplied with the war power that will enable them to win. He pointed out we should remember our duty toward these men in regard to life insurance.

"If they have insurance upon their lives—keep it in force so that they will be able to start where they left off," he said. "These men will be older when they return and it is, therefore, highly important that their insurance be kept in force."

N. E. Order Loses Appeal to Mass. Supreme Court

BOSTON—New England Order of Protection has lost its appeal to the Massachusetts supreme court to be allowed to pay salaries and expenses of members of the investment committee out of mortuary funds. The insurance commissioner called the attorney-general's attention to the practice and an agreed statement of facts was presented.

The fraternal contended expenses of the investment committee, together with their salaries and that of the clerk, should come from the mortuary fund as they represented the expense of administering the fund. The court held, however, that administering the fund and making investments constituted the society's major function and that these expenses should be paid out of operating funds, for which members are specifically assessed. Funds so deducted were ordered returned to the mortuary fund by the court.

Supreme Officers Elected

MILWAUKEE — Supreme officers elected at the state convention here of the Fraternal Order of Pilgrims were: P. C. Holm, exalted master; Joseph Brauer, sovereign master; Allen Schultz, senior master; Paul Jaeger, junior master; Clarence Rauschenberger, chaplain; Ernest Riebau, secretary; Emil Koch, treasurer. A resolution was adopted pledging cooperation with the government in the war effort.

Conduct Wis. Fund Drive

MILWAUKEE — Donations from Wisconsin Maccabees lodges have been turned in to the Detroit headquarters to help swell the "Barrels for Victory" campaign being conducted by the fraternal in Canada and the United States. Kenneth Sansom, Wisconsin manager,

★★★★★★★★★★★★★★★★

"LET
FREEDOM
RING"
...Throughout
All Time!



SINCE its very origin, life insurance has been steadfastly "of, by and for the people." It has pledged itself to continue this democratic course throughout all time.

**FIDELITY LIFE ASSOCIATION
OF FULTON, ILLINOIS**

* Legal Reserve Life Insurance

* For More than 46 years a vigilant champion of American Ideals.

★★★★★★★★★★★★★★★★

directed the drive in this state. The money donated will be turned over to the treasuries of the two countries.

Reports on Societies in Ohio

Sixty-one foreign language fraternal societies in Ohio representing 17 nationalities, Superintendent Lloyd shows in his annual report. Seventeen domiciled in Ohio now have 94 millions of insurance in force. The other 44 have 82 millions in force in Ohio.

Insurance Candidates in Neb.

LINCOLN—Insurance men who submitted their candidates at the recent Nebraska primary had varying fortunes. Harry L. Reed, Lincoln local agent, lost out for the Republican nomination for lieutenant-governor as did A. R. Edmiston, Lincoln general agent of Union Central Life, a candidate for railway commissioner. C. Petrus Peterson, general counsel Bankers Life of Nebraska, and Frank E. Lynch of the Farmers Mutual, candidates for the legislature, will face each other at the November election. H. E. Bowman, Hastings, and Harry L. Pizer, won legislative primary nominations, but Sam Howell, Omaha, lost out in an attempted comeback. Harry R. Swanson, Omaha, was named by the Democrats for secretary of state, a position he held for three terms up till two years ago. Stanley D. Long of Grand Island, former president of Pathfinder Life, was defeated for the Democratic nomination for governor.

Hartford School Concludes

Forty-five agents, representing 14 companies and six different states, completed an intensive one-week course in advanced life underwriting under joint auspices of the University of Connecticut and Connecticut State Association of Life Underwriters, at the university. The curriculum included estate planning and settlement, business life insurance, insurance taxation and pension trusts. The course closed with an analysis of the present tax situation by D. B.

Convention Dates

August 24-26, Insurance Section, American Bar Association, Detroit, Hotel Statler.

Sept. 14-15, International Claim Association, Chicago, Edgewater Beach Hotel.

Sept. 28-Oct. 1, National Fraternal Congress, Chicago, Morrison Hotel.

Oct. 5-8, American Life Convention, Chicago, Edgewater Beach Hotel.

Oct. 15-16, Institute of Home Office Underwriters, Cincinnati, Hotel Gibson.

Oct. 19-21, Actuarial Society of America and American Institute of Actuaries, Royal York Hotel, Toronto.

Oct. 24, Illinois State Association of Life Underwriters mid-year meeting, Peoria.

Maduro, New York City, tax attorney and counsel New York City Association of Life Underwriters.

Warns of Illegal Practice

ST. PAUL—Commissioner Johnson of Minnesota is serving notice on certain life companies that they must discontinue accepting business from unlicensed agents. He said general agents and companies are equally guilty with the agents in this practice. He said the custom has been that when an unlicensed solicitor placed business, the company arranged for a license for him, but not until after he, the general agent, and the company had violated the law. In a case that caused the commissioner to take this step the agent was fined and his license canceled.

Now Aircraft Observation Post

The observation room atop the Northern Life Tower in Seattle has been transformed into an aircraft warning service observation post, in charge of Chief Observer Harry Wingarten and Lieut. J. S. Marshal. Members of the civilian protection division of the Seattle war commission will alternate in three-hour shifts.

Building Democracy—

SINCE 1883, Modern Woodmen of America has been a vital force in strengthening the economic and moral fiber of the nation. More than \$638,000,000 paid in benefits has kept family ties intact in countless American homes. Thousands of communities have benefited through financial assistance given unfortunate members. Teachings of the Society's Ritual stimulate patriotism and serve as a reminder of the duties and obligations of citizenship.

Down the years the Society and its local Camps have served democracy by accepting responsibility toward members, the community and the nation. Its program for nation wide sponsorship of Boy Scout troops is evidence that the Society will continue to build democracy by training boys for future citizenship.

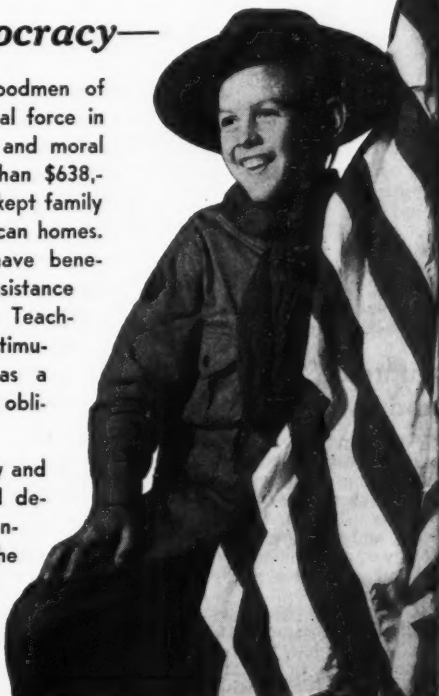
MODERN WOODMEN OF AMERICA

(A legal reserve fraternal life insurance Society)

Assets exceed \$101,000,000

HEAD OFFICE

ROCK ISLAND, ILL.



Latest Policy Changes

By JOHN H. RADER

The National Underwriter is the only weekly insurance newspaper providing its readers with important last minute policy and dividend changes. Compiled by John H. Rader, National Underwriter statistician, these weekly reports supplement the data contained in the Little Gem, published in March at \$2.50 a copy, and the Unique Manual-Digest, published in May at \$5 a copy.

Provident, N. D., On American Men 3%

Another company to adopt the more modern American Men 3 percent mortality table is Provident Life of Bismarck, N. D.

The company added a preferred risk ordinary life, to be sold in minimum amount of \$2,500; a double protection to age 65; family income decreasing term rider; 20 payment endowment at age 65 and 30 payment life.

Premium paying policies of 10 years (except term) have been dropped, as have single premium endowments for 10, 15 and 20 years. Joint life is no longer included in the rate book. Juvenile coverage now is from one day of age to and including age 9.

Illustrative premiums on the new reserve basis are:

Age	Ord. Life	20 Pay	Paid-Up at 65	Dbl. Prot. at 65	Ret. Inc. End. 65	10 Yr. Term
10	\$12.07	\$20.11	\$12.20	....	\$16.55	....
15	13.49	21.93	13.81	....	19.10	....
20	15.19	23.97	15.79	\$23.91	22.28	8.43
21	15.57	24.41	16.23	24.49	23.04	8.50
22	15.96	24.85	16.70	25.08	23.83	8.55
23	16.38	25.30	17.20	25.71	24.67	8.60
24	16.81	25.77	17.72	26.35	25.55	8.64
25	17.26	26.25	18.28	27.03	26.49	8.68
26	17.70	26.75	18.87	27.64	27.40	8.74
27	18.15	27.27	19.49	28.30	28.42	8.80
28	18.64	27.81	20.15	29.01	29.49	8.86
29	19.16	28.38	20.84	29.76	30.64	8.96
30	19.70	28.96	21.59	30.55	31.86	9.06
31	20.28	29.58	22.34	31.39	33.19	9.21
32	20.89	30.22	23.16	32.28	34.61	9.39
33	21.53	30.89	24.01	33.23	36.12	9.59
34	22.21	31.60	24.94	34.24	37.75	9.82
35	22.95	32.33	25.93	35.30	39.47	10.10
36	23.71	33.10	27.03	36.49	41.34	10.44
37	24.52	33.90	28.20	37.73	43.35	10.81
38	25.37	34.73	29.47	39.07	45.50	11.22
39	26.28	35.62	30.83	40.47	47.83	11.70
40	27.24	36.53	32.30	41.96	50.34	12.23
41	28.26	37.49	33.89	43.52	53.01	12.84
42	29.33	38.50	35.63	45.17	55.91	13.50
43	30.46	39.54	37.50	46.93	59.07	14.22
44	31.66	40.65	39.56	48.77	62.54	15.05
45	32.93	41.81	41.81	50.71	66.34	15.93
46	34.27	42.95	44.30	52.73	70.63	16.89
47	35.69	44.15	47.05	54.86	75.39	17.93
48	37.18	45.42	50.09	57.12	80.70	19.08
49	38.77	46.76	53.47	59.51	86.65	20.35
50	40.46	48.17	57.28	62.02	93.40	21.73
51	42.24	49.67	61.54	....	....	23.29
52	44.12	51.26	66.39	....	....	25.01
53	46.12	52.94	71.99	....	....	26.86
54	48.23	54.73	78.53	....	....	28.88
55	50.47	56.64	86.27	....	....	31.07
60	63.91	68.23	....	....	....	....

Guardian Has New Life and Term Combination

Guardian Life has introduced a new policy designed to meet the needs of the business man who might ordinarily turn to term insurance. The premium is only slightly higher than 20 year term, and at a few ages is a little lower. It guarantees increasing cash values, paid-up insurance for life and extended insurance.

Under a \$5,000 policy, of which 3/5 is 20 year term and 2/5 is ordinary life, the assured has the option of converting the term to life at any time within the first 15 years without evidence of insurability. Payments may be either monthly or lump sum.

The rates on a \$5,000 policy are:

Age	Prem.	O. L. prem.	Total cash value	Total acc. div. prem.
21	\$4.13	\$7.33	\$6.80	1,082.60
25	58.20	17.92	40.28	1,164.00
30	65.62	19.92	45.70	1,312.40
35	79.09	26.39	52.70	1,581.80
40	99.37	37.49	61.88	1,987.40
45	129.22	55.06	74.16	2,584.40
50	158.52	67.62	90.90	2,377.80
55	197.62	83.76	113.86	1,976.20

Two Unusual New Life Policies

Continental Assurance announced at the annual meeting in Chicago last week of its 1-2-0 and 2-5-0 Clubs the issuance of two new life contracts, one the "Continental Ten," being a most flexible arrangement of 10 settlement options built around a participating 30 payment life, and the other being a participating "readjustment income," designed to absorb the financial shock arising at insured's death and step the family down gradually.

The first seven options of the "Continental ten" are based on leaving dividends at interest under option 3 and in event of death of policyholder dividend deposits or face amount of dividend additions will be paid as well as face of policy. The contract combines in a single form virtually every kind of permanent insurance protection which could be desired, including limited payment life, endowment, and retirement income.

Options That Are Available

Option 1 provides blank years of insurance with premiums returned in the amount of guaranteed cash value plus accumulated dividend deposits and interest; option 2 a blank payment life; option 3 a blank year endowment through paying the premiums for not to exceed 30 years and at younger ages waiting a while longer; option 4, 30-payment life with cash settlement of the accumulated dividend deposits and interest; option 5 retirement income at 65, 10 years certain and for life, by paying no more than 30 annual premiums.

Option 6, increased endowment, with a special option providing for continuation of premium payments after policy has become paid up, so guaranteed cash value will equal or exceed the face and total cash including dividend deposits will be paid at maturity; option 7, annuity income, five years certain and continuous, instead of taking the total cash available under option 6; option 8, 30-payment life with increasing benefits, the dividends being used to buy paid-up additions instead of being left on deposit so the face amount is increased; option 9, 30-payment life with reducing deposits; option 10, blank year endowment with reducing deposits. Both of these latter are accomplished by using dividends to reduce premium payments, with guarantee the policy will be paid-up in 30 years or mature as an endowment at the end of a stated number of years.

Illustrative Contract Shown

At age 30 on the basis of \$5,000 of insurance, and with results predicated on estimated dividends, option 1 provides 20 years' protection with return of the total deposit at the end of that time; option 2, a 21-payment life for \$5,000; option 3, 30-year endowment with premiums paid for 30 years and cash settlement of \$5,000 at age 60; option 4, a 30-payment life paid up for \$5,000 after 30 annual premium payments with return of \$1,715 cash; option 5, a retirement income at 65 by making deposits for 30 years, providing \$38.20 monthly income for life, 10 years certain.

Option 6 provides increased endowment giving a cash settlement of \$8,075 by making deposits for 39 years; option 7, an annuity income of \$64.45 monthly for life, five years certain, by making deposits for 39 years. If deposits are made in full and annual dividends used to buy paid-up additions, option 8 provides a 30-payment life starting at \$5,000

protection, gradually increasing to \$5,575 at the end of 10 years, \$6,420 at the end of 20 years and \$7,370 at the end of 30 years, then increasing at a slower rate in succeeding years though no more premiums are paid.

If annual dividends are used to reduce premium deposits option 9 provides 30-payment life of \$5,000 with progressively smaller deposits for 30 years averaging only \$98.55 a year, and option 10 provides a 39-year endowment for \$5,000 until age 69, with reducing deposits, and then \$5,245 cash. Total deposits on this contract will be only \$3,740.

Readjustment Income Policy

One unit of readjustment income policy guarantees \$100 a month income to beneficiary for first year, \$75 a month for second year, \$50 a month for the third year and \$35 a month for the fourth year.

Illustrative annual premium rates for these two contracts are shown below. The readjustment income plan is a modified life quoted in amount of \$3,000 face amount.

Age	Cont. Ten	Readj. Inc.	Age	Cont. Ten	Readj. Inc.
20	112.95	41.49	21.36	41.174.95	78.96
21	114.75	42.51	21.90	42.180.10	82.11
22	116.65	43.62	22.47	43.185.60	85.44
23	118.60	44.76	23.04	44.191.50	88.98
24	120.70	45.93	23.64	45.197.85	92.73
25	122.85	47.19	24.30	46.204.60	96.75
26	125.00	48.48	24.96	47.211.80	101.04
27	127.30	49.86	25.68	48.219.40	105.63
28	129.75	51.30	26.43	49.227.50	110.49
29	132.25	52.80	27.18	50.236.10	115.65
30	134.90	54.42	28.02	51.245.30	120.87
31	137.65	56.10	28.89	52.255.10	126.42
32	140.50	57.87	29.79	53.265.50	132.24
33	143.60	59.70	30.75	54.276.60	138.45
34	146.70	61.65	31.74	55.288.40	145.05
35	150.10	63.69	32.79	56.301.00	152.04
36	153.65	65.88	33.93	57.314.50	159.45
37	157.35	68.19	35.13	58.328.90	167.31
38	161.30	70.65	36.39	59.344.20	175.65
39	165.60	73.26	37.74	60.360.50	184.56
40	170.05	76.02	39.15		

*For \$5,000.

†For \$3,000.

United Fidelity Is Issuing "All Out for Victory" Form

United Fidelity Life of Dallas has issued a wartime contract with two unusual features,—no war clause and all premiums immediately invested in U. S. war bonds. The plan is known as "All Out for Victory" policy. It is an endowment at age 80 and is written in amounts of \$2,000,—no more, no less. The issue is restricted to men who are in a deferred military classification, have dependents or for some other reason are not likely to enter the armed services.

The policy guarantees that for the duration of the war all premium deposits will be used to buy U. S. war bonds. Much has been written and said about life insurance premiums doing double duty because the companies are heavy investors in government bonds. This is the first time that any company plainly has stated that all premiums will go directly to the war effort.

Country Life Changes in Guaranteed Interest

The Country Life of Chicago announces that on all policies applied for on or after Oct. 1, funds left with the company under option 1 will be credited with interest at the guaranteed rate of 2 percent per annum. Sums paid as income for a specified period under Oct. 1 or until exhausted under option 1

German Control of Insurance in Europe is Shown

German domination of the insurance business in occupied Europe has followed establishment of military control, and some of the changes that have occurred in the structure of continental insurance are commented on in "The Review" of London.

In France, life, automobile and workmen's compensation insurance formerly held by the British companies was distributed between German and Italian carriers. In Belgium the Nordstern of Berlin "had to come to the rescue" of Belgium policyholders. German societies opened 30 branch offices in France, 40 in Belgium and 44 in Holland. In some areas German companies have a monopoly; in others they have assumed the international business, taken control of the country's business, and confined the home companies to local operations.

Lower Yields Are Strain

The reduction of interest rates in Germany has been a strain on the resources of German companies. Life and annuity funds must be based on a rate of interest not exceeding 3½ per cent, and the consequent increase of required funds can be met only in installments by many companies. Yet German companies have increased their share capital, mainly from reserves. Another difficulty is that in many cases the funds taken over in the Balkan countries were not sufficient to cover the corresponding liabilities.

The expansion of German companies is of political importance, and the German government exercises considerable direction over them. A German institution has been founded to promote the coordination of all the insurance laws of European countries.

U. S. Court Holds Proceeds Go to J. I. Case Company

BAY CITY, MICH.—Judge Tuttle of U. S. district court here ruled the J. I. Case Company, Racine, Wis., is beneficiary of a Federal Life policy on the life of Leonard Gasta, Portsmouth, Mich., volunteer fireman, killed in an automobile accident Aug. 7, 1941. A judgment for \$4,965 was granted.

The company posted the proceeds for distribution according to the court's decision. The widow, Julia, contested an assignment of the policy to V. E. Taubenek, Saginaw, a representative of the Case company which had sold machinery on credit to Gasta, an implement dealer. The court held the fact Taubenek was named as beneficiary was not material to the issues, in that Taubenek represented the Case company.

will be credited with interest at 2½ percent. Life income payments under option 3 will be based on an interest rate of 2½ percent. Interest earnings in excess of the guaranteed rate may be allowed from time to time as appears to be justified by its experience. On and after Oct. 1, interest payable on dividends left to accumulate will not be less than 2½ percent compounded annually.

1907 Thirty-Fifth Year 1942

Mortgage Cancellation — Bank Loan Plans

Write Agency Department
For Complete Details

MISSOURI INSURANCE COMPANY

"An Old Line Legal Reserve Life Insurance Company With
\$16,000,000 Insurance in Force"

J. C. West
President

Home Office
St. Louis, Mo.

Established
1907

Sales Ideas and Suggestions

Best Prospects Today Are Same Type as Before War

In recent months there has been considerable study of the life insurance market as war has increased the workers' earnings and taxation decreased the spendable margin of the higher income groups. Life insurance men have felt that perhaps they should change their prospecting and sales methods in order to reach "the war worker."

A study of the flow of consumer income gotten out by the commercial research division of the Curtis Publishing Company shows pretty conclusively that the same types of buyers who have been purchasing life insurance in the past continue to have the largest margin for "savings," that is, for insurance premiums, mortgage and property payments, investments in stocks and bonds, and actual savings. The increase in national income from 1936 to 1942 has proportionately benefited all income levels.

"New Market" Erroneous Idea

The idea that a new and undeveloped market potential is available for immediate cultivation among the unintelligent lower income wage earners is the result of confused thinking. Statements that the customary market in the upper income level is being harder hit by taxes, by the increasing cost of living, and by the obligation of carrying on financial commitments contracted before the present emergency create the impression that those in the upper income level no longer have adequate income available for optional spending.

The Curtis Publishing Company study, based on the income periods of 1929, 1936 and 1942, and embodying the results of its own investigations and those of the division of statistics of the War Production Board, Brookings Institution and the National Resources Committee, refutes this theory.

The greatest differences between 1942 and 1929 are apparent in the levels of \$1,500-\$2,000 and \$2,000-\$3,000. The increase in the 1942 \$2,000-\$3,000 level may be accounted for by the unusual demand of industry for skilled labor. In 1929, 16.6 percent of the total consuming unit had income \$2,000-\$3,000 and in 1942 this percentage is 19.5.

Go Down, Come Up in Scale

From 1929 to 1936 some consumer units dropped one or more income levels in the scale of income because of reduced hours, cuts in salary or wages, and, in extreme cases, loss of jobs. The median income was \$1,536 in 1929, \$1,069 in 1936, and \$1,516 (estimated) for 1942.

But in 1942 those who dropped from higher to lower income levels moved back to the higher levels.

Markets are constantly changing, due primarily to the normal flow of life itself from youth through old age, and to economic cycles. From 1929 to 1936 consumers in all levels received lower incomes. In moving to lower levels of living, however, they retained the intelligence and buying experience incident to former income levels.

In 1942 consumers are moving to higher levels of income and buying power. A large proportion of those now benefiting from increasing income are those who in the years prior to the depression experienced similar levels of income. They are the same experienced, skilled workers who, before the depression, enjoyed higher incomes. Because of intelligence and skill they now are again getting back to their former levels

of income or may perhaps be going on the higher levels.

A study of war production industries in the Philadelphia area shows that men drawn to war industries by higher wages can be classified in three groups:

1. Skilled workers who before the depression enjoyed incomes one or more levels higher than in recent years. Because of war industries' demand for skilled machine and tool operators, these men are a preferred group. Perhaps they are foremen and superintendents with overtime incomes up to \$100 per week. They are using increased incomes to pay off debts, including mortgages on homes, and so far as possible are buying durable goods, government bonds, and are doing some saving. They believe the present prosperity will not be permanent and hope to be better prepared than in 1930 to meet adversity.

2. Younger men who have not had jobs long or who have obtained their first jobs in war plants. Some have had high school, some college, others technical school training. They have the necessary intelligence for developing the skills so greatly needed by industry today. The wage for this group may range up to a top of about \$60 weekly. They have intelligence and background.

Third Group Offers No Market

3. The third group comprises those who have never had more than a job. They are the first to be unemployed

and among the last to be employed. They are not discriminating buyers. They are receiving up to \$40 per week, but are spending the new extra income on amusements, in tap rooms, and for clothing. They are disinclined to save. If forced to buy war bonds by withheld wages they contemplate selling them as soon as possible. They resent any efforts to direct their spending.

The \$5,000 and over income level will clearly be the best market in 1942. Consumers in this income group will receive more national income than any other group. Although in 1942 this group will not spend in the aggregate quite as much for subsistence and additional necessities as the \$2,000-\$3,000 group, it will be the first in total available for optional spending. It will pay the bulk of total taxes this year, but will have many times more dollars than any other group for savings.

The \$3,000-\$5,000 group will have more dollars for savings than the \$2,000-\$3,000 group. In the groups below \$2,000 virtually all the income received is used for necessities, leaving only a negligible amount for savings.

The increase in national income from 1936 to 1942 has proportionate effect on all income levels except for items affected by conservation of materials essential in war production. Curtailment of purchase and use of these items freezes funds for optional spending on other items for savings. The effect of the increase in cost of living on expenditures was given full consideration in the study.

It seems reasonable to conclude from the study that while prospects may be shifting about and there are some new ones, they are much the same sort of buyers as in the past and will respond to much the same approach and appeal.

beneficiary, its creditors or stockholders may step in.

Several decisions regarding corporation-held insurance are far less liberal than those pertaining to individual holdings. It also seems that interpretations of the courts as to individuals are less liberal in proportion to the remoteness of the degree of relationship of the beneficiary to the insured. Regardless of the letter of the law, the courts seem to see an additional duty to protect the widow and children and to a less degree, dependent parents and to a still lesser degree, more distant relationship or ties other than blood or family ties.

It would also appear that the courts have been more liberal in interpretation in cases involving small amounts of insurance payable to a widow or children than in larger similar cases. Consequently, underwriters handling business and corporate cases involving larger sums and parties remote in blood relationship should be advised that the credit exemption accorded under the law cannot be stretched or forced in expectation of adjudications more favorable than the average.

Watch Divorce Situation

Where a wife is a beneficiary under a policy, even though irrevocably designated, upon the life of her husband, she ceases to be beneficiary when a divorce occurs unless the beneficiary relationship is continued by the final decree of divorce. If the decree does not mention the life insurance, it becomes payable automatically to the husband's estate with restored right to change beneficiary. However, if the husband fails to notify the insurance company and the company pays the divorced wife, the insurance company is discharged of its obligation. Watch it!

Agent Must Be Familiar With Judicial Interpretations

DETROIT—The wording of insurance contracts, policies, beneficiary provisions, trust indentures and statutes pertaining to insurance are peculiarly subject to modification by judicial interpretation because courts read into them certain broad general considerations of public policy. H. B. Thompson, general counsel Michigan State Association of Life Underwriters, told the estate and taxation course in Detroit.

Consequently, he said, in the more technical applications of life insurance an understanding of the general trends of decisions in life cases is fully as important as a careful reading of statutes, policy forms or agreements.

The statutes and case law concerning life insurance place more weight upon the status and relationship of the parties involved than is usual in other phases of property law, he pointed out. In life insurance the relationship between the man and his beneficiary or assignee has a distinct bearing upon whether a creditor or a trustee in bankruptcy can touch the values in his policy.

Thus the life underwriter has vastly more responsibility than the salesman of other property; for the beneficiary designations or assignment blanks drawn today or a year from today may toss a man's insurance to his creditors, or may protect his wife and children as they are intended to. Complicated beneficiary provisions, complex insurance trusts and catchy assignment techniques add to the diligence required, he warned.

Where premiums are obtained from a

wrongful source, even though the insured acted in good faith, the courts over-ride, modify or nullify all statutory protections accorded the insured and the beneficiary as regards their creditors. Fraud, actual or constructive, vitiates all exemptions. Where insurance premiums are paid by a person who is insolvent, for example, persons who were creditors when such premiums were paid may recover the amount of such premiums with interest out of the policy proceeds. In like manner if an assignment or transfer of the policy is made, creditors may have satisfaction out of the proceeds in preference to the named beneficiary. Decisions under the Michigan bankruptcy statute indicate that the creditors' recovery is limited to the cash value at the time of transfer and/or the premiums paid to his detriment plus interest.

Less Liberal on Corporations

A corporation as an ultra vires act released its ownership of a life policy on the life of its president, who in turn made it payable to a lifelong friend who was a creditor of his and the corporation's. The federal court held that other creditors of the corporation which subsequently became bankrupt, were entitled to recover all the policy proceeds. The corporation, like most corporations for profit, had no general power to make gifts even though the donee was its principal stockholder. This case should be borne in mind wherever a corporation plans to pay premiums on "key man" lives. Unless the corporation is to remain the sole

Gets More Agents, Volume Increases

One general agent commented the other day that he is having less trouble getting good men today than he has had at times in the past. There seems to be two reasons for this. In businesses affected adversely by the war the poorer men have been eliminated first when a firm faced the necessity of reducing its staff. Those that remain are the seasoned, capable men who make excellent material for life insurance selling.

Also, while good men can find almost any number of jobs today, many of them recognize that most of these jobs are dependent upon the war. They can see that when war is over there will be 10 men for every good job, not, as now, 10 jobs for every good man.

Of course it is still necessary to work in order to secure good recruits for life insurance, but more are available. The very instability of the time has caused many men to give serious consideration to the long range stability of their jobs, and for men who are doing this life insurance has a strong appeal.

Must Be Carefully Sold

It does not take as long for an older, seasoned man to get started in life insurance, but they have to be more carefully sold on the business, particularly on the financial possibilities.

This agency is putting on more new men than last year, and is doing more business, even though it has lost several good men to the service and defense industries.

In selling an increased amount of business, it is essential to find the people who have had an increase in income. The man who used to make

more than \$5,000 and still makes it, has less spendable margin because of taxes, the purchase of war bonds, etc. Many others, however, are making much more money, and whereas the first type of person has his money already pledged for various purposes, the ones who have experienced large income increases in the last year or two have "new" incomes which are not already earmarked. This represents a big chance for life insurance.

The agency is selling cheap protection to the first type of buyer nowadays, and high premium endowment and retirement policies to the other. Policies are being sold more quickly; that is, on second or third interview, rather than on third or fourth, reflecting the increased money that is in circulation.

Good Men Are Available

Another general agent already has hired eight "good men" this year and reports that he has more excellent prospects. Only one of the men is under 35 and most of them are over 40. They are coming principally from businesses affected by the war: Camera business, refrigeration, automobile selling, etc.

This general agent has a list of 100 "key policyholders," men with \$50,000 or more of life insurance in his company, whom he asks for recommendations of persons they think would make good life insurance agents. They have a strong interest in the company, are enthusiastic about life insurance and usually are men of considerable acquaintance in the business world. Most of the agency's new recruits this year have come from this source.

New men this agency has put in business in the past year are for the most part doing well, and are not too much bothered by the question of where to find war workers with money to buy. Not having been in the business before, they don't "realize" that business is hard to get. They go out and make an effort to sell practically everywhere.

Traveler's Impressions of Insurance, Buses, Trains

(CONTINUED FROM PAGE 2)

articles dealing with his home and native state.

Agents report on each call on a "Magic Mind" sheet, where, by checkmarks, he indicates the domestic, financial, marital and occupational status of his prospect; indicates property that the insured owns and insurance, with particular emphasis upon insurance situations as yet uncovered. Every branch office has a girl whose sole job it is to originate and develop prospect leads for agents. One of the principal jobs of the A.V.P. and this girl is to see that every agent at all times has a place to go and a reason for going.

Oregon Mutual Life

Oregon Mutual Life was the first purely legal reserve life company to be organized west of the Rockies and sells only life insurance. The agency activities are under W. C. Schuppel, executive vice-president, who will probably be elected president of the American Life Convention this year; George Schoeffel, superintendent of agencies and John Caplice, agency secretary.

All of these West Coast companies have great hopes for the future. Hundreds of thousands of workers are pouring into the western war plants, and it is believed that a considerable portion of them, perhaps half, will remain after the war. The west hopes to keep and develop the industries which have been built up by the war. "We have the best climate in the world, we have the finest place to live, with lakes, mountains, hunting, fishing, flowers and fruits. We have the best scenery to be found anywhere. We have all of the water power necessary for any number of industries. We are the gateway to Alaska, and with our fishing, our logging, our mining, farming, berries, fruits and tourist play-



Charles E. Brown, Mutual Life, N. Y., Grand Rapids, and W. M. Duff, Equitable Society, Pittsburgh, at the N. A. L. U. convention in Chicago.

grounds we really expect to go to town in the next 10 years."

Of particular interest to many an agent now working in small town or semi-rural territory and who has toyed with the idea of going to the big city where the defense money flows, is the experience of Fred W. Tregaskis, Oregon Mutual representative at Raymond, Wash. Raymond is a lumbering town of approximately 4,000, and yet Mr. Tregaskis has been president of the Leaders Club, member of the Quarter Million Round Table of Washington, averaging 116 lives per year for the past six years. Here are excerpts from his speech at the company's educational seminar:

"I believe I can do as much business in Raymond as I can in Seattle and do it easier and have more fun in doing it. You may wonder at this—but most of my selling in Seattle was done through prestige I had created in my home town in the years past. My centers in Seattle told my prospects about me and my background. It made me appreciate the value of prestige more than ever. In my community I am known as the top ranking life insurance man on Willapa Harbor and there is no discounting the advantage it gives.

Can Get Around Easier

"Another consideration is my belief that if the gasoline rationing shoe pinches too much I can get around my territory with friends a lot easier than I could in Seattle where I am not known.

"I feel that making money in itself isn't all. The joy of living and serving and the ability to make friends is a factor we often overlook. Those of you who live or have lived in small towns can appreciate some of the things I am trying to say. I guess that I am a small town man to start with. But I believe that, in spite of the many advantages the large cities offer, we small town people have and enjoy something others will never know. I enjoy selling life insurance and helping people with their problems. For years folks in Raymond have told me of their troubles and I think I missed that phase in Seattle. It seems to me that I can do a better job and be happier doing it where I am well known."

E. F. Gregory Joins B. M. A.

E. F. Gregory, formerly superintendent of agents of the accident and health department of Security Life & Accident, joined Business Men's Assurance as district supervisor. He will continue to be located in Denver. Mr. Gregory has had a wide experience in both life insurance business and accident and health business. He is now a member of the executive board of the National Association of Accident & Health Underwriters.

Revises Rules on Age Evidence

(CONTINUED FROM PAGE 1)

cate registered or recorded not more than five years from date of birth; baptismal certificate where the baptism took place and was recorded not more than five years from date of birth; formal declaration, either witnessed or notarized by insured's mother or father stating insured's date of birth, provided this was done and dated not more than five years from date of birth.

Other Types of Proof

B consists of birth certificate registered or recorded more than five years but less than 20 years from date of birth; baptismal certificate and formal declaration by mother or father, similarly; extract of entry in family Bible or similar family record unless entry obviously was made after child attained age 20; certificate or letter from school, school board or school commission giving date of birth or age at and date of entry or graduation if age referred to is less than 20 years; extracts from United States census record in case of American citizens or residents if at time of census insured was less than 20 years; passport of parents showing age of insured if less than 20 years; letter from physician who attended at birth giving date of birth as extracted from his records and date or approximate date on which entry was made in physician's record; birth notice from newspaper containing date line and dated shortly after birth.

Class C Evidence Shown

C includes birth certificate registered or recorded 20 years or more after date of birth; baptismal certificate or formal declaration from mother or father similarly; family Bible entry made after child attained age 20; letter from school, etc. similarly; extracts from U. S. census record similarly in case of American citizens or residents; passport of parents showing age of insured if this was 20 years or over; certified copies of marriage license or marriage certificate stating date of birth or age at and the date of birth; birth certificate of a child of insured showing insured's age; naturalization certificate stating date of birth or age at and the date of naturalization; immigration record stating date of birth, etc.; letter from past or present employer stating date of entry into service and age at that time or date of birth as shown by record; letter from fraternal society or similar organizations, etc.; article presented as gift bearing inscription giving date of birth or age, etc.; extracts from genealogical or other historical records; letter from hospital stating date of admission for treatment or

hospitalization and age at that time or date of birth as shown by hospital records; navy, army or air force discharge; Bible or other gift books bearing inscriptions giving information about birth; photograph when insured was a child showing date of photograph and age at that time or date of birth; extracts from bank records.

Rules as to Issuance

Sun Life will fully and unconditionally admit age only upon submission of any single item of class A for life policies and annuities other than single premium immediate or deferred life, and annual premium deferred life annuities deferred less than 10 years.

Age for single premium immediate or deferred life annuities and annual premium deferred life annuities deferred less than 10 years must be fully admitted before the contract is issued but age will be admitted and contract issued upon submission of any single item in class A. Age will be admitted and contract issued upon submission of any single item in class B provided Sun Life is satisfied there is no existing class A evidence, and similarly upon submitting any two items in class C provided the company feels sure there is no existing class A or class B evidence.

Reservation as to Action

In case of discrepancies in age shown in the documents, Sun Life reserves the right to request additional evidence and also where any question arises as to validity of documentary evidence. The same applies in case of the beneficiary where a life income settlement has been arranged by insured and it is desired during insured's life time to have the beneficiary's age admitted.

Policyholder Approves Management Policy

Far-sighted members of the insuring public evidently do not regard policy dividend reduction as a criticism of the institution, but approve such action taken for the purpose of safety and security, President B. J. Perry of Massachusetts Mutual commented in making public a letter received from a business man policyholder.

"It occurred to me that as a policyholder I should commend your action," the man wrote. "I buy insurance primarily for protection. I look upon you and the other officers of our mutual company as my representatives in the guardianship of the funds collected from policyholders. I want, first of all, to know that when I pass on, my plans for the protection of my family will be faithfully executed.

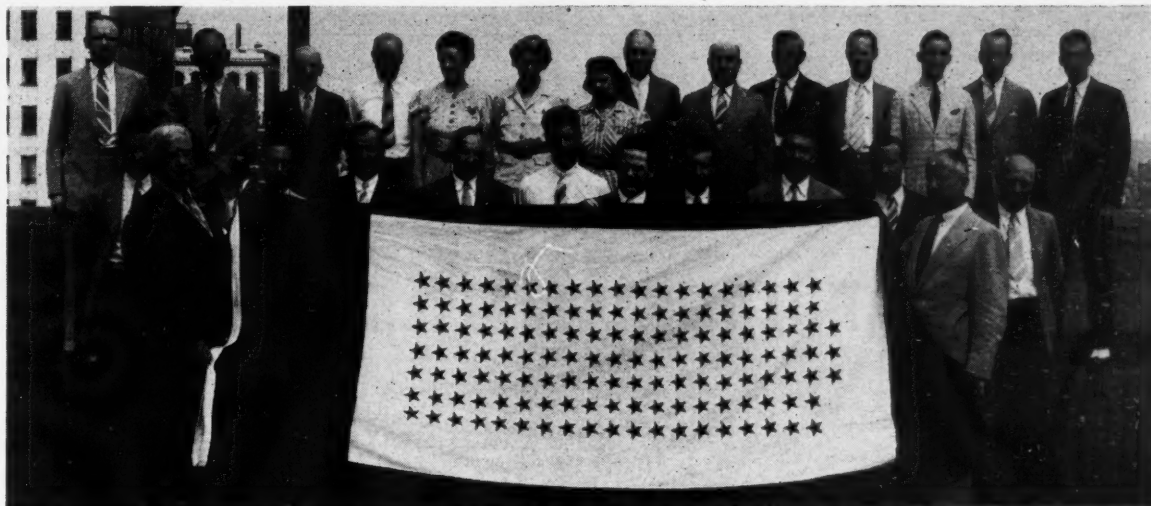
"If in the process of affording such protection there are savings resulting from reduced operating expenses or favorable mortality experiences, I naturally am glad to receive my proportionate share. If, however, under the guise of dividends, payments are made to me out of funds which should properly be preserved to assure fulfillment of the major purpose of my insurance, namely protection, I should feel that you and your fellow officers had been unfaithful to your trust.

"I didn't buy insurance to get dividends; I bought it to get protection and I believe practically all policyholders were motivated by this same impulse. The practice of distributing surpluses has a tendency to educate policyholders to evaluate their policies somewhat on the basis of yields from dividends. To this extent I think it is perhaps somewhat unfortunate that distributive shares have become designated as dividends, which in fact they are not.

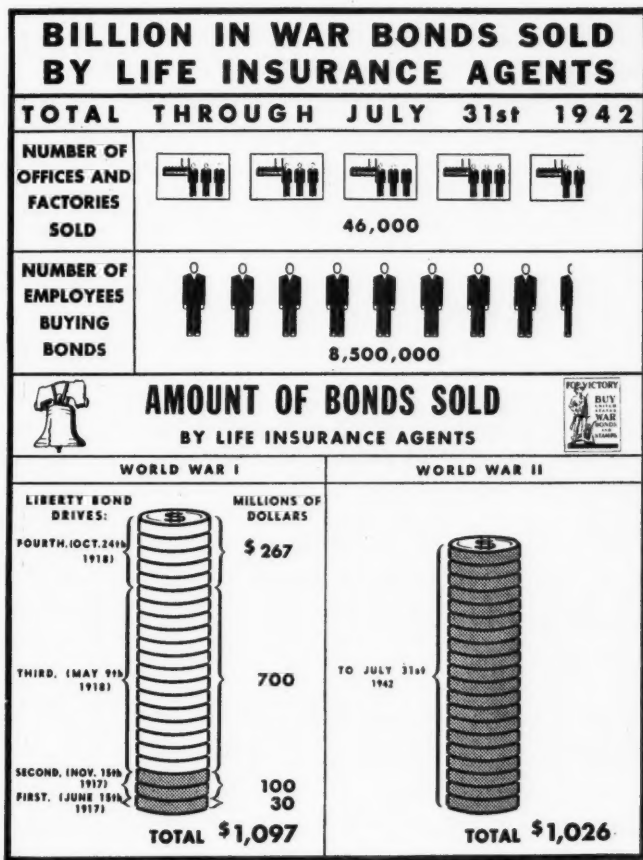
"So long as you conduct the affairs of our association in an efficient manner, preserving the funds so that all proper obligations of the company can be met when due, I, for one, will not worry if I receive no further so-called dividends on any of my policies with the Massachusetts Mutual or any of the other companies in which I am insured."



Elmer B. Abbey, general agent of Aetna Life in San Antonio, Tex., is here shown displaying the bronze plaque which he received from that company on his 25th anniversary as general agent.



Members of Union Central Life's Employees' War Activities Association with service flag honoring employees and agents in the armed forces: Left to right (back row): D. W. Lyle, Harry Eigher, William Emerson, Fred Niehaus, Mabel Fox, Edna Weber, Margaret Lingenfelter, R. M. Scott, W. H. Bardes, Howard Fevrier, Harold Bauer, Robert Ulrich, Richard Millard, Jerome Howard. Front row: Robert Sohngen, Russell Wilson, former Cincinnati mayor and director of Union Central, W. J. Steimer, Charles H. Hewitt, Paul E. Howard, Robert Lischer, Claude W. Lowther, chairman War Activities Association, Paul Waldon, Howard Bradtmueller, Robert Hase, Richard S. Rust, vice president, and Harry Miller.



Home Life of New York has responded to the War Production Board's appeal for 600,000 used typewriters urgently needed by the army and navy, by turning over to the government one out of every six machines from its home office. Here E. I. Low, board chairman, is shown receiving a check for the typewriters from I. P. Ritchie, one of the government-appointed purchase depots.

At annual meeting in Los Angeles of California Association of Life Underwriters. President-elect H. K. Cassidy, Pacific Mutual, San Francisco, is in center of front row standing to the left of John R. Mage, Northwestern Mutual, Los Angeles, vice-president-elect, who is holding a roll of paper in his hand. To the right of Mr. Mage is Harold R. Saul, John Hancock, Los Angeles, retiring president.



—A FLOW OF WORK—→

BRINGS INCREASED SALES

Through a Prospecting method which will bring an unending stream of prospects across the desks of every salesman in your organization

☐ As a General Agent or Manager, would you find satisfaction in handing to your salesmen the names of persons on whom they can call with a reason for expecting a sale?

☐ As an Agency official, are you interested in making available to your branch offices a system whereby they will continually and always have an unfailing source of new prospects?

If you answer "Yes" to these questions, you will want to learn more of this significant and timely book.

"A PROSPECT BUREAU"

A. R. Jaqua, Associate Editor of The Diamond Life Bulletins, after 10 years' research, has just completed the writing of a description of this effective system of Prospecting. It is a *definite, organized, tested* SYSTEM. It is in operation now in Companies and Agencies, and the system accounts for roughly 20% of total production.

The book tells you how to establish a Prospect Bureau in your organization, gives complete instructions on clerical routine and the preparation of forms, outlines details of operation — *predicts the results you may expect.*

THE DIAMOND LIFE BULLETINS
420 East Fourth Street
Cincinnati, Ohio

Please send me _____ copies of "A Prospect Bureau" at \$3 per copy.

☐ Check Enclosed ☐ Charge my Account ☐ On Approval

Signed _____ Title _____

Company _____

Address _____

City _____

It costs you nothing to see for yourself how you may overcome, in a large measure, the age-old problem of Prospecting.

Solve the problem NOW!